Comments on
Linking Macro and Micro Data to Produce Distributional Accounts for the Non-Financial Corporations

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What is the Question?

- Is it feasible to produce Distributional Corporate Accounts using Microdata (at least for Italy)?
  - Could they be produced in a way that is
    - regular,
    - timely,
    - granular and
    - coherent?

Is this Question interesting?

- Yes!

- Link between firms' financial resources and their behaviour is very important for understanding the business cycle

- Distribution matters—averages give an incomplete picture

- Helpful for both fiscal and monetary policymakers

- Useful complement to Household Distributional Accounts

What do the Authors find?

- Summary of the paper:
  - Description of National accounts data
  - Description of survey data – Survey of Industrial and Service Firms
    - Find significant heterogeneity in firm indebtedness and savings
  - Comparison of the two data sources

- Conclusion:
  - Distributional Corporate Accounts are feasible (at least for Italy)

Is the Conclusion justified?

- Yes: micro data are sufficiently coherent with macro data that they can be used to produce DCAs

- But:
  - Many missing observations, undercoverage of small firms
  - Some very big discrepancies: employee compensation, stock of listed shares, flow of bonds
  - Timelines are quite long: survey data not available until 18 months after reference year

Questions/Suggestions

- What have we learned from household accounts?

- Are there other surveys, perhaps more timely? What about the sources that NA uses? Tax data?

- How well do the microdata reproduce overall aggregates—saving, net lending etc.?

- What are the prospects for regional/sectoral breakdowns?