of goods and services indicate the portion taken up by the Federal government. This is similar to personal consumption expenditures which represent the proportion of final product (other than housing) going to consumers and gross private domestic investment which represents the amount going to the business sector.

THE RELATIONSHIPS AMONG THE THREE SERIES

Table 11 shows the interrelationships among the series on budget expenditures, Federal payments to the public, and Federal purchases of goods and services. As can be seen, purchases by general government agencies of currently produced goods and services are included in all three series. The bases of measurement differ somewhat. The budget series is essentially on a checks-issued basis, the cash series on a checks-paid basis, and the purchases on a delivery basis.

TABLE 11.—*Types of Federal Government spending included in 3 currently used series*

Type of spending	Series in which included		
	Budget expenditures	Cash payments	Purchases of goods and services
Purchases of goods and services by general Government agencies	X	X	X.
Wholly-owned Government enterprises:			
Capital outlays	X	X	X.
Current outlays	X	X	
Transfer payments (including interest):			
From budget accounts	X	X	
From trust accounts		X	
Grants-in-aid	X	X	
Subsidies	X	X	
Purchases of existing assets	X	X	
Financial exchanges	X	X	
Intragovernmental transfers and noncash transcations	X		
Expenditures of government-sponsored enterprises:			
Federal land banks		X	
FHLB's, FCID, banks for cooperatives		X	X.

The following categories are included in both the budget and cash measures but excluded from the Federal component of GNP; transfer payments from budget accounts, grants-in-aid to State and local governments, subsidies, current outlays of wholly owned government enterprises, purchases of existing assets, and financial exchanges, such as loans.

Transfer payments from trust accounts and the expenses of the Federal land banks are only included in the cash series. Intragovernmental and noncash transactions are only included in budget expenditures.

Common shortcomings of the three series. Despite the differences in the scope of transactions covered, all of the three series are closely connected. They are all variations of budget expenditures and generally measure the flow of the government spending process at its completion, when production is finished and delivery or payment is made.

Contrasted to this general uniformity of measurement, Federal spending is, as has been demonstrated in earlier chapters, a process, a flow of financial activity; "expenditures" or "payments" or "purchases" represent just one point among many in an often lengthy