

Why large companies are macroeconomic entities

Published: January 13, 2026, 9:56 am

The accounts of all companies, from the very largest, to the very smallest, are prepared on the assumption that the organisations in question are microeconomic entities and are, therefore, only of real concern to their shareholders and suppliers of capital.

Thus, though, is an unsustainable assumption in the modern world where large companies, often described as Public Interest Entities or PIEs, which description might cover everything from tech companies, to banks, to supermarkets and energy supply companies, are not just of concern to their shareholders, but are of concern to us all because they are deeply in bedded in the macroeconomy on which we all depend.

In this video I explain that this should give rise to a change in the basis of their accounting and the assumptions on which those accounts are prepared. If that was to happen there would be a minor revolution in accounting, for the benefit of everyone.

This video [cross refers to this one](#).

<https://youtu.be/sfDBXMdx-lo>