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## **NATIONAL WEALTH IN MODERN ECONOMIC THEORY: THE PROBLEM OF ASSET TRANSFORMATION INTO ECONOMIC GROWTH**

The article summarizes the evolution of theoretical approaches to national wealth—from classical and neoclassical interpretations to contemporary integrated wealth-based models in which wealth is considered a multi-component stock of economic assets capable of generating well-being in an intertemporal perspective. Based on a critical analysis of the World Bank's Wealth Accounting framework and the Inclusive Wealth concept developed under the auspices of UNEP, the study demonstrates their analytical value for assessing development sustainability, intergenerational equity, and losses of natural and human capital that are not reflected in flow-based macroeconomic indicators, particularly gross domestic product.

At the same time, the paper argues that national wealth in modern models has the character of a latent, model-constructed variable whose valuation depends substantially on assumptions regarding the composition of assets, methods of capitalization, and the chosen discount rate. Consequently, wealth indicators perform mainly a descriptive function, characterizing economic potential, but have limited capacity to explain macroeconomic dynamics.

The key theoretical limitation of contemporary wealth models is identified as the absence of a formalized mechanism linking the stock of economic assets to flows of production. As a result, there is no direct functional relationship between the level of national wealth and the actual dynamics of GDP. The realization of accumulated economic potential depends on institutional conditions, the technological structure of the economy, and the complementarity of production factors.

The study concludes that further development of the theory of national wealth should focus on integrating the balance-based description of assets with models of their economic realization, which would strengthen the explanatory and analytical role of the wealth-based approach in the study of long-term economic development.

**Keywords:** national wealth, inclusive wealth, asset transformation into growth, sustainable growth.