

Abstract for “An Integrated Set of Estimates of Capital Stocks and Services for the United Kingdom”

Nicholas Oulton (London School of Economics, U.K.)

This paper presents a set of estimates of capital services and capital stocks for the UK at the sectoral level, taking advantage of newly-released and revised investment data. The estimates are methodologically consistent with the OECD Capital Manual but in one respect will go beyond it: The paper implements the method suggested by Oulton (“Ex post versus ante ex measures of the user cost of capital”, Review of Income and Wealth, 2007) to resolve the controversy over whether ex ante or ex post measures of the rate of return are preferable. The estimates are on the basis of both the 1993 SNA and on the new SNA in that some categories of intangible capital (e.g. R&D) are included. The issue of obsolescence and whether that should change conventional measures of depreciation is also discussed.