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978-0-521-12007-4 - Reconciliation of National Income and Expenditure: Balanced
Estimates of National Income for the United Kingdom, 1920-1990

James Sefton and Martin Weale

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The problem of disparities between different estimates of GDP is well known and widely discussed. Here, the authors describe a method for examining the discrepancies using a technique allocating them with reference to data reliability. The method enhances the reliability of the underlying data and leads to maximum-likelihood estimates. It is illustrated by application to the UK national accounts for the period 1920 to 1990. The book includes a full set of estimates for this period, including runs of industrial data for the period 1948 to 1990 which are longer than those available from any other source. The statistical technique allows estimates of standard errors of the data to be calculated and verified; these are presented both for data in levels and for changes in variables over 1, 2 and 5-year periods. A disc with the dataset in machine readable form is available separately.

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STUDIES IN THE NATIONAL INCOME AND
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7 Reconciliation of national income and expenditure

*Balanced estimates of national income for the United
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Preface

This book is the seventh in a series which began in 1954 with Richard Stone's *The Measurement of Consumers' Expenditure and Behaviour in the United Kingdom, 1920-1938*. It follows Charles Feinstein's *National Income, Expenditure and Output of the United Kingdom, 1855-1965* which appeared in 1972. Despite the long interval since Feinstein's volume, we consider that this study is in very much the same intellectual tradition as the earlier volumes; we hope that it will prove a worthy companion. Richard Stone, the general editor of the earlier volumes, inspired this work and provided a great deal of encouragement in its early stages. We are profoundly sorry that he did not live to see it completed.

We are grateful to Charles Feinstein for allowing us to use his data source for the period 1920 to 1948 and to the Central Statistical Office for allowing us to publish results based on their data for the period 1946 to 1990. Both Charles Feinstein and Solomos Solomou also provided much helpful discussion. From the Central Statistical Office, Michael Baxter and Robin Lynch provided helpful comments on the manuscript and Shirley Carter was always ready to explain particular issues of national accounting.

The bulk of the work was carried out in the Department of Applied Economics with the kind support of the Economic and Social Research Council. We should, however, record our thanks to the National Institute of Economic and Social Research for tolerating the time that James Sefton has put into the study while working there.

The publishers of the *Journal of the Royal Statistical Society, Series A* and the *Journal of Applied Econometrics* have kindly given permission to publish material which first appeared in those journals.

Data on disc

The data presented in part three of the study are available on floppy 3½ inch disc, together with SDM, a data extraction programme written by

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Brian Holley of the Faculty of Economics and Politics in Cambridge. SDM allows series to be extracted as ASCII files, as WKS files for direct entry into spreadsheets, or as FIT files for use in the MICROFIT regression package.

The price of the disc is £35 including VAT and postage. To buy the disc please send a cheque payable to Mr M. R. Weale at the National Institute of Economic and Social Research, 2 Dean Trench Street, London SW1P 3HE, United Kingdom.