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“Measuring Intangible Assets and Their Contribution to Growth”

Intangibles and productivity growth at the zero lower bound

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This paper investigates the impact of intangible investment on labour productivity growth at the industry level in the UK at the zero lower bound. Utilising the ONS data from 1992-2016, this paper distinguishes intangible assets between assets that are classified as investment in national accounts (software, R&D, mineral explorations and entertainment and artistic originals) and those assets that are not included in national accounts (brands, organizational capital, design, training). The effect of the zero lower bound in changing the internal and external finance costs is analysed in a panel threshold regression model. This paper sought to shed light on the implications of intangible assets on productivity growth in a very low interest rate environment in the UK.