Editors' Overview

The 48th issue of the *International Productivity Monitor* sees an enlargement of the editorial team of the publication with Paul Schreyer joining as an Editor. Paul recently retired from the position of Chief Statistician at the OECD and is now the Research Director at the Economics Statistics Centre of Excellence (ESCoE) at King's College London. He has made major contributions to the productivity literature and we are delighted that he has joined the team.

The issue contains a symposium in UK productivity issues, with articles on the post-2007 productivity slowdown, regional productivity disparities, public sector productivity measurement and de-industrialization and the productivity slowdown. The issue also contains an article on the impact of Artificial Intelligence on productivity, and a review article on a recent volume on productivity measurement issues.

We live in the age of Artificial Intelligence (AI), considered by many the latest General Purpose Technology (GPT). A key question going forward is whether AI will have an impact on productivity similar to past GPTs. In the lead article in this issue, **Francesco Filippucci**, **Peter Gal**, **Katharina Laengle**, **Matthias Schief**, and **Filiz Unsal** from the OECD discuss the opportunities and risks of AI for productivity. Their approach is to relate aggregate AI productivity gains to three drivers, potential gains from AI at the task level, the economy-wide exposure to AI, and the AI adoption rate. They provide estimates of these drivers for G7 countries. The authors conclude that AI could raise US total factor productivity growth 0.4-0.7 percentage points per year over the next decade, but less in other G7 economies.

The persistent slowdown in UK productivity growth since the mid-2000s has become one of the most pressing economic challenges facing the country. Despite extensive research, there is still no consensus on its root causes, timing, or the reasons for the UK's underperformance relative to peers. The four articles in this symposium on the UK productivity puzzle offer complementary perspectives on this complex issue, ranging from macroeconomic trends and structural shifts to regional disparities and public service performance.

The first article, by **Josh Martin** from the Bank of England and King's College London, offers a comprehensive statistical review of the UK productivity slowdown. He argues that the deceleration began before the 2008 financial crisis and has been driven primarily by a decline in total factor productivity. Martin emphasizes that the slowdown is broad-based across industries, with particularly sharp declines in manufacturing and finance. He also highlights the importance of measurement challenges and structural shifts, such as the rise of intangible assets and environmental constraints, in shaping the UK's productivity trajectory.

The second article, by **Reitze Gouma** at the University of Groningen, and **Philip McCann** and **Raquel Ortega-Argilés** at the University of Manchester, critically examines recent revisions to regional produc-

tivity data by the UK Office for National Statistics. While the new data suggest a narrowing of regional disparities and a potential shift toward convergence, the authors caution that these findings may be artefacts of data inconsistencies, particularly in London. They argue that the apparent reversal of long-standing divergence trends is difficult to reconcile with economic fundamentals and may reflect temporary distortions during the pandemic.

Richard Prothero from the UK Office for National Statistics provides a response to the article. He agrees with the article's conclusion that one should wait for additional years of data before reaching a definitive viewpoint on whether UK regional productivity growth is converging or diverging.

In the third article, **Richard Heys** from the Office for National Statistics focuses on public service productivity, an often-overlooked component of the broader productivity picture. Drawing on a recent review by the UK Statistics Authority, Heys outlines methodological innovations that better capture quality-adjusted outputs in health, education, and other public services. These improvements suggest that public services may have contributed more to productivity growth than previously thought.

The final article in this symposium by **Paul Fisher** of the National Institute of Economic and Social Research Research (NIESR), provides a long-run structural interpretation of the slowdown, arguing that it is a natural consequence of economic maturity and deindustrialization. Drawing on historical data, Fisher reflects on the long-term shift toward a service-dominated economy where productivity gains are harder to measure and achieve. He calls for a rethinking of investment policy, emphasising digital infrastructure, human capital, and the green transition, as a means to revive growth and raise living standards.

Researchers face huge challenges in measuring productivity. The recent volume *The Measures of Economics: Measuring Productivity in an Age of Technological Change*, edited by Marshall Reinsdorf and Louise Sheiner from the Brookings Institution, sheds new light on this topic by laying out the conceptual issues and identifying ways forward. In the final article, **Chad Syverson** from the University of Chicago provides an overview of the volume. He notes that while there has been progress in productivity measurement, there remains much to do. He is however optimistic because the conceptual underlayment of ideal productivity measurement means that we know where the holes are, which can direct our efforts to where work is needed.