

Comments on chapter 20:

We have no experience with theory of capital service and it is difficult for us to grasp the link between the price (cost of production) of a new produced fixed asset on one hand and sum of discounted additions to the value of output from using this new asset in production in future, that must be very uncertain.

In our opinion, for paragraph 20.46 it would be desirable to explain how should be expressed the same volume of works yearly (1/4 from a structure being built over a period of four years) in amount of 50 in each year if

60% of value is intermediate consumption

30% of value is compensation of employees

10% of value is operating surplus, gross.

In year 1, it would be 30 intermediate consumption

15 compensation of employees

5 operating surplus, gross

50 sum of value but only 43.2 as change in work-in-progress, which is the

only use of the output in this case. What happened with the difference ($50 - 43.2 = 6.8$)? Is it a negative component of operating surplus, gross, and so the result is negative ($5 - (50 - 43.2) = -1,8$ instead of +5?

Could we consider a discount rate (1.05) equal to a coefficient of prices?

If no inflation is assumed and prices neither of intermediate consumption nor of compensation of employees did change over 4 years does it mean that the discount rate was 0 per cent?

If costs were equal to price (yearly = 50) would operating surplus be calculated as the price less costs ($43.2 - 50 = -6.8$; $45.4 - 50 = -4.6$; $47.6 - 50 = -2.4$; $50 - 50 = 0$)?

Such and similar questions should be answered before closing the chapter 20.