

Table 3.9. Investment Ratios in Current Prices, Nine Countries, 1952–94

	Gross Fixed Residential Capital Formation/GDP			Gross Non-Residential Fixed Capital Formation/GDP		
	1952–57	1958–77	1978–94	1952–57	1958–77	1978–94
China	3.5	3.5	6.8	11.1	18.0	20.3
India	n.a.	n.a.	n.a.	9.9 ^b	14.4 ^b	20.0 ^{b,c}
Japan	3.4	6.2	5.9	19.0	25.7	23.9
Korea	n.a.	3.0 ^a	5.9	n.a.	18.7 ^a	26.0
Taiwan	1.4	2.4	3.2	11.0	18.6	21.3
France	4.1	6.9	5.9	13.2	16.5	14.8
Germany	5.0	6.8	6.0	16.0	17.0	14.4
United Kingdom	3.5	3.8	3.6	10.9	14.1	13.7
United States	5.6	4.8	4.4	12.8	12.9	13.8
	Inventory Change/GDP			Gross Investment/GDP		
	1952–57	1958–77	1978–94	1952–57	1958–77	1978–94
China	8.6	6.5	7.1	23.2	28.0	34.2
India	2.1	2.0	3.3 ^c	12.0	16.4	23.3 ^c
Japan	4.5	2.4	0.5	26.9	34.3	30.3
Korea	3.4 ^d	1.6	0.6	n.a.	23.3 ^a	32.5
Taiwan	2.8	3.4	1.4	15.2	24.4	25.9
France	1.5	1.8	0.3	18.8	25.2	21.0
Germany	2.4	1.4	0.2	23.4	25.2	20.6
United Kingdom	0.9	0.8	0.1	15.3	18.7	17.4
United States	0.6	0.8	0.5	19.0	18.5	18.7

a. 1960–77.

b. Includes residential investment.

c. 1978–91.

d. 1953–57.

Source: Chinese investment from Table C.11. The notes to Table C.11 indicate the downward adjustments I made to the official investment figures to exclude items which would not be treated as investment in Western national accounts. They exaggerate investment for two reasons *a)* they include large repair costs, most of which would be treated in Western national accounts as intermediate inputs; *b)* they include a significant amount of military investment, which in Western national accounts would be treated as current defence expenditure. My estimate of residential construction is only a rough assessment for the years 1952–80. It should be noted that the investment ratios for China are calculated using the official estimates of GDP as the denominator. Other countries from Maddison (1991*b*) updated from *OECD, National Accounts, 1983–1995*, Paris, 1997, and for India, Korea and Taiwan from national sources. The ratios are derived from estimates in current prices and in national currencies.