





< Working Papers

The Return to Capital in China

Chong-En Bai, Chang-Tai Hsieh & Yingyi Qian



WORKING PAPER 12755

DOI 10.3386/w12755

ISSUE DATE December 2006

China's investment rate is one of the highest in the world, which naturally leads one to suspect that the return to capital in China must be quite low. Using the data from China's national accounts, we estimate the rate of return to capital in China. We find that the aggregate rate of return to capital averaged 25% during 1978-1993, fell during 1993-1998, and has become flat at roughly 20% since 1998. This evidence suggests that the aggregate return to capital in China does not appear to be significantly lower than the return to capital in the rest of the world. We also find that the standard deviation of the rate of return to capital across Chinese provinces has fallen since 1978.

Download a PDF

Information on access

Download Citation

~

Non-Technical Summaries

The Return to Capital in China

AUTHOR(S): Chong-En Bai Chang-Tai Hsieh Yingyi Qian

Excluding the residential housing sector...the real return to capital in China since 1978 fluctuated between 8 percent and 12 percent and...

Published Versions

Chong-En Bai & Chang-Tai Hsieh & Yingyi Qian, 2006. "The Return to Capital in China," Brookings Papers on Economic Activity, Economic Studies Program, The Brookings Institution, vol. 37(2006-2), pages 61-102. citation courtesy of RePEc

Related

TOPICS Macroeconomics

Consumption and Investment Development and Growth

Development Country Studies

PROGRAMS Economic Fluctuations and Growth

International Finance and Macroeconomics

WORKING GROUPS Chinese Economy

More from NBER

In addition to working papers, the NBER disseminates affiliates' latest findings through a range of free periodicals — the NBER Reporter, the NBER Digest, the Bulletin on Retirement and Disability, the Bulletin on Health, and the Bulletin on Entrepreneurship — as well as online conference reports, video lectures, and interviews.



<u>2023, 15th Annual Feldstein Lecture, Mario Draghi, "The Next Flight of the Bumblebee: The Path to Common Fiscal Policy in the Eurozone"</u>

LECTURE

Dr. Mario Draghi, who served as President of the European Central Bank and Prime Minister of Italy, presented the 2023...



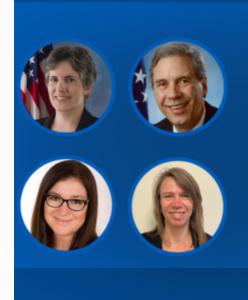
Methods Lecture: **Linear Panel Event Studies**Jesse M. Shapiro, Harvard University and NBER Liyang Sun, CEMFI

2023 Methods Lectures, Jesse Shapiro and Liyang (Sophie) Sun, "Linear Panel Event Studies"

July 28, 2023

LECTURE

Overview: Linear panel event studies are increasingly used to estimate and plot causal effects of changes in policies...



Panel Discussion:

Long-Term Dynamics of the Employment-to-Population Ratio

Karen Glenn, Social Security Administration Stephen Goss, Social Security Administration Nicole Maestas, Harvard University and NBER Julie Topoleski, Congressional Budget Office July 26, 2023

2023, SI Economics of Social Security, Panel Discussion, "Long-Term Dynamics of the Employment-to-Population Ratio" Supported by the Alfred P. Sloan Foundation, the National Science Foundation, and the Lynde and Harry Bradley...

National Bureau of Economic Research

Contact Us
1050 Massachusetts Avenue
Cambridge, MA 02138
617-868-3900
info@nber.org
webaccessibility@nber.org

HOMEPAGE

Accessibility Policy
Diversity Policy
Privacy Policy

FOLLOW









© 2024 NATIONAL BUREAU OF ECONOMIC RESEARCH. ALL RIGHTS RESERVED.