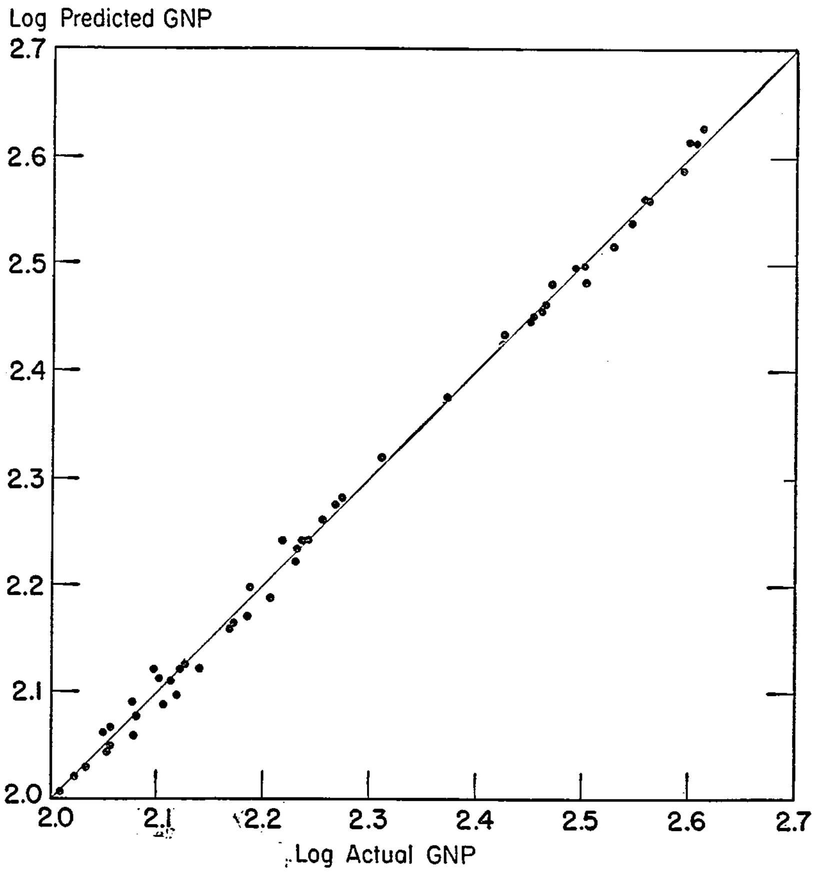
CHAPTER V

GROSS NATIONAL PRODUCT IN CONSTANT DOLLARS 1909-1958, ACTUAL VS. PREDICTED



Source: Table 2.

and four were within less than 1 percent. The only predictions which deviated by more than 2½ percent were computed from two equations rejected because the time trends were 0 in one and 2.9 percent per year in the other—values which were both irrational and in disagreement with other previous results. Also, in both these equations, the coefficients of Lp and K/Lp were either statistically insignificant or assumed values which could not be accepted as reasonable on economic grounds. In particular, the coefficients of K/Lp in the two equations were extreme—indicating an almost insignificant contribution of capital deepening in one case and an excessively high contribution in the other.