

## CONTENTS

PREFACE	v
LIST OF FIGURES	xii
LIST OF TABLES	xii
NOTES ON CHINESE UNITS	xv
PART I	
I. INTRODUCTION	3
Time and Geographical Coverage	3
Historical and Institutional Setting	5
The Pre-Communist Era	5
The Postwar Years, 1949-57	10
II. DOMESTIC PRODUCT AND EXPENDITURE: A SUMMARY OF DATA, METHODS, AND FINDINGS	17
Concept and Approach	18
Domestic Product by Industrial Origin: The Heart of Our Estimate	19
Estimate of Domestic Expenditure and Employment: The Secondary Results	21
Three Bases of Valuation: The 1933, 1952, and 1957 Price Weights	22
Source Data and Method of Estimate: 1933	26
The "Hard" Components of the Product Estimate, 1933	26
The "Soft" Components of the Product Estimates and Data on Population and Occupational Distribution, 1933	33
The Expenditure Estimate, 1933	37
Source Data and Method of Estimate: 1952-57	39
A Preliminary Discussion of Communist Statistics	39
The "Hard" Components of the Product Estimate, 1952-57	43
The "Soft" Components of the Product Estimate, 1952-57	64
The Expenditure Estimate, 1952-57	65
Summary of Estimates	67
III. PATTERN OF ECONOMIC DEVELOPMENT: PRELIMINARY ANALYSIS OF FINDINGS	71
The Prewar Scale of Economic Values and the Allocation of Manpower	71
The Communist Investment Drive	73
The Magnitude of the Communist Investment Program	73
Investment in Relation to Total Expenditure	77

The Real Cost of the Communist Investment Program: The Depressed Standard of Living	79
Speed of Development and Changes in the Structure of Production	83
Levels of Production: 1933, 1952, and 1957	83
The Annual Rates of Growth and Their Variability, 1952-57	85
The Shift Toward Industry and Modern Methods of Production	87
Output, Capital, and Labor in Four Modern Sectors	91
The Data and the Nature of the Relationships	93
The Trend Relationships	94
The Incremental Output-Capital and Output-Employment Ratios	96
Labor Force and Unemployment	101
Expenditure Gaps and Inflationary Pressure	105
A Conjectural Estimate of Domestic Product, 1958-59	114
Concluding Remarks	119
<b>IV. ESTIMATE OF DOMESTIC PRODUCT BY INDUSTRIAL ORIGIN</b>	
Agriculture	125
Output of Agricultural Products	126
Deductible Costs of Production, Depreciation, and Value Added	126
Factories	139
1933	139
1952-57	141
Other Nonagricultural Sectors	145
Handicrafts	152
Mining	156
Utilities	159
Construction	160
Transportation and Communications	160
Trade	165
Government, Finance, and Personal Services	168
Residential Rent	170
Work Brigades	170
The Chinese Population and Its Occupational Distribution	171
Total Population, 1933	171
Communist Population Statistics, 1952-57	177
Occupational Distribution, 1933	181
Employment, 1952-57	192
Comparison of the Adjusted Estimate of Total Nonagricultural Employment with the Communist Estimate	205
Comparisons of the Authors', the Adjusted, and the Communist Estimates of Domestic Product	212
The Authors' and the Adjusted Estimates	212

The Adjusted and Communist Estimates	212
Communist Concepts and Methods of Deriving National Income	214
Communist Estimates of National Income	219
Comparison of Communist Figures and Adjusted Estimate	220
<b>V. ESTIMATE OF DOMESTIC EXPENDITURE BY END USE</b>	<b>226</b>
Domestic Investment	226
1933	226
1952-57	230
Fixed Investment, Investment in Working Capital, and Fixed Capital in Four Industries, 1952-57	236
Government Consumption and Communal Services	241
Personal Consumption	244
Food Consumption	245
Other Personal Consumption Expenditures	258
Comparisons of the Adjusted Estimate of Net Domestic Ex- penditure with Our Estimate and the Communist Esti- mate	269
<b>PART II: Appendixes and Reference Materials</b>	
<b>A. OUTPUT OF AGRICULTURAL PRODUCTS, 1933</b>	<b>277</b>
<b>B. FARM PRICES IN 1933</b>	<b>319</b>
<b>C. OUTPUT OF AGRICULTURAL PRODUCTS, 1952-57</b>	<b>360</b>
<b>D. FARM PRICES IN 1952</b>	<b>373</b>
<b>E. GROSS AND NET VALUE OF AGRICULTURAL PRODUC- TION, 1933 AND 1952-57</b>	<b>395</b>
<b>F. DERIVATION OF VALUE ADDED BY FACTORIES, 1933 AND 1952-57</b>	<b>425</b>
<b>G. DERIVATION OF VALUE ADDED IN CERTAIN HANDI- CRAFT PRODUCTS, 1933 AND 1952-57</b>	<b>511</b>
<b>H. DERIVATION OF VALUE ADDED IN OTHER NONAGRI- CULTURAL SECTORS</b>	<b>568</b>
<b>I. PRICE DEFLATORS FOR DOMESTIC PRODUCT AND EXPENDITURE</b>	<b>628</b>
<b>J. RECONSTRUCTED COMMUNIST ESTIMATE OF DOMES- TIC PRODUCT AND ITS RECONCILIATION WITH THE ADJUSTED ESTIMATE, 1952-57</b>	<b>643</b>
<b>K. COMPUTATIONS FOR THE 1958-59 ESTIMATE OF DO- MESTIC PRODUCT</b>	<b>659</b>

L. AN ALTERNATIVE VIEW OF BASIC CONSTRUCTION AND INVESTMENT IN WORKING CAPITAL	701
INTRODUCTION TO REFERENCE MATERIALS	713
LIST OF SHORT TITLES	714
LIST OF PERIODICALS AND NEWSPAPERS CONSULTED	722
BIBLIOGRAPHY	725
INDEX	759

## LIST OF FIGURES

<i>Figure</i>	<i>Page</i>
1. Total Output and Per Capita Consumption of Food Crops, 1933 and 1952-57	44
2. Per Capita Calorie Intake from Food Crops	45
3. Percentage of Unidentified Items in Total Value of Output, Pro- ducers' Goods and Consumers' Goods	61
4. Gross Domestic Investment and Domestic Expenditure	78
5. Output (Net Value Added) Versus Fixed Capital in Billions of 1952 Yuan	95
6. Output (Net Value Added) and Employment	97
7. Output (Net Value Added) Per Worker and Fixed Capital Per Worker (in 1952 Yuan)	98
8. Incremental Output-Capital Ratios	99
9. Incremental Output-Employment Ratios	100
10. Four Indexes of Inflationary Pressure	107
11. The Relationship Between Machinery Output and Steel Output, 1952-58	118

## LIST OF TABLES

<i>Table</i>	<i>Page</i>
1. Private Enterprise's Share in Industry and Trade	15
2. Estimated Supply of Calories from Food Crops, 1933	29
3. Calorie Intake Per Capita Per Day in Prewar Years	31
4. Communist Food Rationing Schedule, 1955-57	48
5. Rations of Food Crops, 1955-57, Weighted by Communist Data on Age Distribution and by Authors' Estimate of Occupa- tional Distribution	49
6. Rations of Food Crops, 1955-57, Weighted by Communist Data on Age and Occupational Distribution	50
7. Production and Estimated Values of Selected Consumers' Goods, 1957	62