

## EVOLUTION OF GDP

Gross domestic product (GDP) is a standard measure of the value of production by a country during a period. For the definition refer to Size of GDP. Growth of real GDP, i.e. ignoring price changes, is widely used to assess governments' performance in managing their economies.

### Definition

In order to calculate the growth rate of GDP free of the direct effects of inflation, data at fixed, or constant, prices should be used. Price relativities change over time, and the 1993 System of National Accounts recommends that the fixed prices used should be representative of the periods for which the growth rates are calculated, which means that new fixed prices should be introduced frequently, typically every year. The growth rates of GDP between successive periods are linked together to form chain volume indices. All OECD countries derive their "volume" estimates in this way, except for Korea, and Mexico. These two like many non-OECD countries, only revise their fixed weights every five or ten years. Such practices tend to lead to biased growth rates, usually upward.

The growth rates for OECD total are averages of the growth rates of individual countries weighted by the relative size of each country's GDP in US dollars. Conversion to US dollars is done using purchasing power parities so that each country is weighted by the relative size of its real GDP.

### Long-term trends

Annual growth for OECD total averaged 2.6% from 1994 to 2007. Ireland and the Slovak Republic substantially outperformed the average with annual growth of over 5%. Growth rates in Ireland were particularly impressive between 1995 and 2000 – the so-called Celtic Tiger period. Korea's growth was badly affected by the financial crisis in Asia in 1998 when real GDP fell by nearly 7% but has since returned to relatively high rates. At the other end of the scale, Germany, Italy, Japan and Switzerland recorded average growth rates of 1.5% or less over the period.

The Czech Republic, Hungary, Poland and the Slovak Republic all experienced substantial falls in real GDP in the early years of their transition to market-based economies but generally began to achieve positive rates of growth during the second half of the 1990s. Their growth rates have been among the highest of all OECD countries in recent years.

### Comparability

The GDP statistics used for these growth rates have been compiled according to the 1993 System of National Accounts. GDP estimates at current prices are generally regarded as highly comparable between countries. However, there is more variability in how countries calculate their volume estimates of GDP, particularly in respect of government consumption and some types of capital expenditures, although this doesn't necessarily imply less comparability in the estimates of growth themselves.

Note that for Australia and New Zealand data refer to fiscal year.

### Sources

- OECD (2008), *National Accounts of OECD Countries*, OECD, Paris, [www.sourceOECD.org/nationalaccounts](http://www.sourceOECD.org/nationalaccounts).
- For non-member countries: national sources.

### Further information

#### Analytical publications

- OECD (2006), *Development Centre Studies – The Rise of China and India: What's in it for Africa?*, OECD, Paris.
- OECD (2008), *OECD Economic Outlook, June No. 83 – Vol. 2008/1*, OECD, Paris.
- OECD (2008), *Economic Policy Reforms: Going for Growth 2008*, OECD, Paris.

#### Online databases


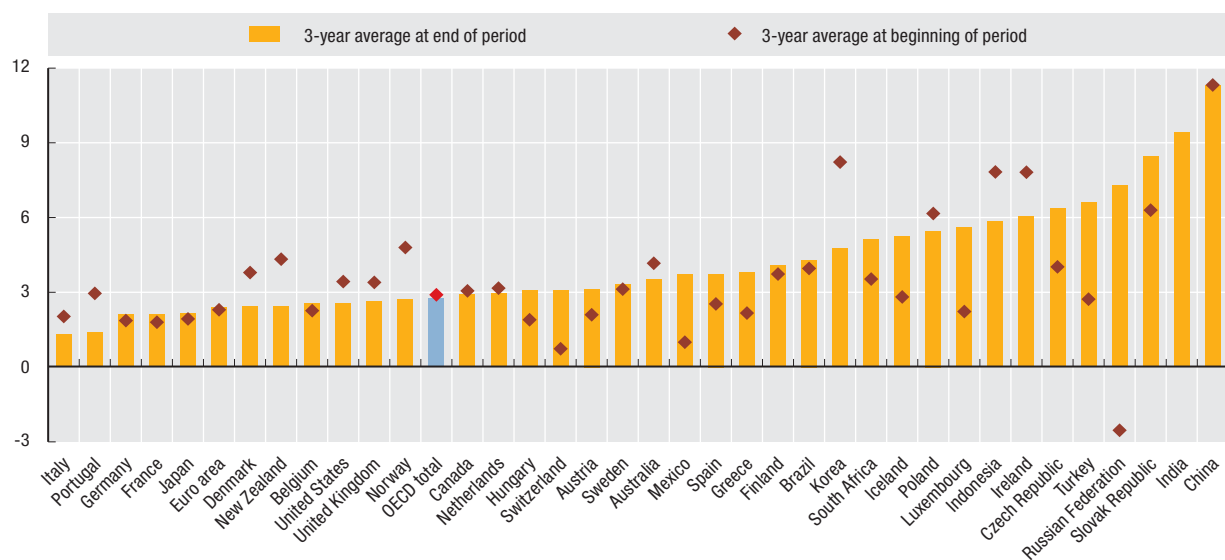

- *Annual National Accounts*.
- *OECD Economic Outlook Statistics*.

#### Websites

- *OECD Economic Outlook – Sources and Methods*, [www.oecd.org/eco/sources-and-methods](http://www.oecd.org/eco/sources-and-methods).

**Real GDP growth**  
 Annual growth in percentage

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Australia	4.5	4.1	3.9	4.5	5.2	4.0	1.9	3.8	3.2	4.0	2.8	3.0	3.2	4.4
Austria	2.7	1.4	2.2	2.1	3.6	3.3	3.7	0.5	1.6	0.8	2.5	2.9	3.4	3.1
Belgium	3.2	2.4	1.2	3.5	1.7	3.4	3.7	0.8	1.5	1.0	3.0	1.8	3.0	2.8
Canada	4.8	2.8	1.6	4.2	4.1	5.5	5.2	1.8	2.9	1.9	3.1	2.9	3.1	2.7
Czech Republic	2.2	5.9	4.0	-0.7	-0.8	1.3	3.6	2.5	1.9	3.6	4.5	6.3	6.8	6.0
Denmark	5.5	3.1	2.8	3.2	2.2	2.6	3.5	0.7	0.5	0.4	2.3	2.4	3.3	1.6
Finland	3.6	3.9	3.7	6.1	5.2	3.9	5.0	2.6	1.6	1.8	3.7	2.8	4.9	4.5
France	2.2	2.1	1.1	2.2	3.5	3.3	3.9	1.9	1.0	1.1	2.5	1.9	2.2	2.2
Germany	2.7	1.9	1.0	1.8	2.0	2.0	3.2	1.2	0.0	-0.2	1.2	0.8	3.0	2.5
Greece	2.0	2.1	2.4	3.6	3.4	3.4	4.5	4.2	3.4	5.6	4.9	2.9	4.5	4.0
Hungary	2.9	1.5	1.3	4.6	4.9	4.2	5.2	4.1	4.1	4.2	4.8	4.0	4.1	1.1
Iceland	3.6	0.1	4.8	4.9	6.3	4.1	4.3	3.9	0.1	2.4	7.7	7.5	4.4	3.8
Ireland	5.8	9.6	8.1	11.5	8.4	10.7	9.2	5.8	6.4	4.5	4.7	6.4	5.7	6.0
Italy	2.2	2.8	1.1	1.9	1.4	1.5	3.7	1.8	0.5	0.0	1.5	0.6	1.8	1.5
Japan	1.1	2.0	2.7	1.6	-2.0	-0.1	2.9	0.2	0.3	1.4	2.7	1.9	2.4	2.1
Korea	8.5	9.2	7.0	4.7	-6.9	9.5	8.5	3.8	7.0	3.1	4.7	4.2	5.1	5.0
Luxembourg	3.8	1.4	1.5	5.9	6.5	8.4	8.4	2.5	4.1	1.5	4.5	5.2	6.4	5.2
Mexico	4.4	-6.2	5.2	6.8	5.0	3.8	6.6	0.0	0.8	1.4	4.0	3.2	4.8	3.2
Netherlands	3.0	3.1	3.4	4.3	3.9	4.7	3.9	1.9	0.1	0.3	2.2	2.0	3.4	3.5
New Zealand	5.3	4.2	3.5	1.7	0.5	5.3	2.4	3.8	5.1	3.5	4.0	2.7	1.6	3.0
Norway	5.1	4.2	5.1	5.4	2.7	2.0	3.3	2.0	1.5	1.0	3.9	2.7	2.3	3.1
Poland	5.3	7.0	6.2	7.1	5.0	4.5	4.3	1.2	1.4	3.9	5.3	3.6	6.2	6.6
Portugal	1.0	4.3	3.6	4.2	4.9	3.8	3.9	2.0	0.8	-0.8	1.5	0.9	1.4	1.9
Slovak Republic	6.2	5.8	6.9	4.4	4.4	0.0	1.4	3.4	4.8	4.7	5.2	6.5	8.5	10.4
Spain	2.4	2.8	2.4	3.9	4.5	4.7	5.0	3.6	2.7	3.1	3.3	3.6	3.9	3.7
Sweden	3.9	4.0	1.5	2.5	3.8	4.6	4.4	1.1	2.4	1.9	4.1	3.3	4.2	2.5
Switzerland	1.2	0.4	0.6	2.1	2.6	1.3	3.6	1.2	0.4	-0.2	2.5	2.5	3.4	3.3
Turkey	-5.5	7.2	7.0	7.5	3.1	-3.4	6.8	-5.7	6.2	5.3	9.4	8.4	6.9	4.5
United Kingdom	4.3	3.0	2.9	3.3	3.6	3.5	3.9	2.5	2.1	2.8	2.8	2.1	2.8	3.0
United States	4.1	2.5	3.7	4.5	4.2	4.5	3.7	0.8	1.6	2.5	3.6	2.9	2.8	2.0
Euro area	..	..	1.5	2.6	2.8	2.9	3.9	1.9	0.9	0.8	2.1	1.7	2.9	2.6
EU27 total	..	..	1.8	2.7	3.0	3.0	3.9	2.0	1.2	1.3	2.5	2.0	3.1	2.9
OECD total	3.1	2.5	3.1	3.6	2.6	3.3	4.0	1.2	1.6	2.0	3.2	2.6	3.1	2.6
Brazil	5.3	4.4	2.2	3.4	0.0	0.3	4.3	1.3	2.7	1.1	5.7	3.2	4.0	5.7
China	13.1	10.9	10.0	9.3	7.8	7.6	8.4	8.3	9.1	10.0	10.1	10.4	11.6	11.9
India	..	..	..	..	6.0	6.9	5.7	3.9	4.6	6.9	7.9	9.1	9.8	9.3
Indonesia	7.5	8.2	7.8	4.7	-13.1	0.8	5.4	3.6	4.5	4.8	5.0	5.7	5.5	6.3
Russian Federation	..	..	-3.6	1.4	-5.3	6.4	10.0	5.1	4.7	7.3	7.2	6.4	7.4	8.1
South Africa	3.2	3.1	4.3	2.6	0.5	2.4	4.2	2.7	3.7	3.1	4.9	5.0	5.3	5.1

 StatLink  <http://dx.doi.org/10.1787/540755823556>
**Real GDP growth**  
 Average annual growth in percentage

 StatLink  <http://dx.doi.org/10.1787/534661378083>



**From:**  
**OECD Factbook 2009**  
Economic, Environmental and Social Statistics

**Access the complete publication at:**  
<https://doi.org/10.1787/factbook-2009-en>

**Please cite this chapter as:**

OECD (2009), "Evolution of GDP", in *OECD Factbook 2009: Economic, Environmental and Social Statistics*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/factbook-2009-12-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to [rights@oecd.org](mailto:rights@oecd.org). Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at [info@copyright.com](mailto:info@copyright.com) or the Centre français d'exploitation du droit de copie (CFC) at [contact@cfcopies.com](mailto:contact@cfcopies.com).