

# Observed Regularities in Economic Growth: Kaldor Facts (Kaldor, 1963)

Stylized facts in the process of economic growth:

- The shares of labor and physical capital in GDP are nearly constant (FIGURE 1);
- The ratio of physical capital to output is nearly constant;
- The rate of return to capital (or the real interest rate) is nearly constant;
- Physical capital per worker grows over time;
- Per capita output grows over time, and its growth rate does not tend to diminish (FIGURE 2);
- The growth rate of output per worker differs substantially across countries, but the rates tend to converge.

## References

**KALDOR, N. (1963):** "Capital Accumulation and Economic Growth." In: Lutz, F. A. and D. C. Hague (eds.), *Proceedings of a Conference Held by the International Economics Association*. London: Macmillan.

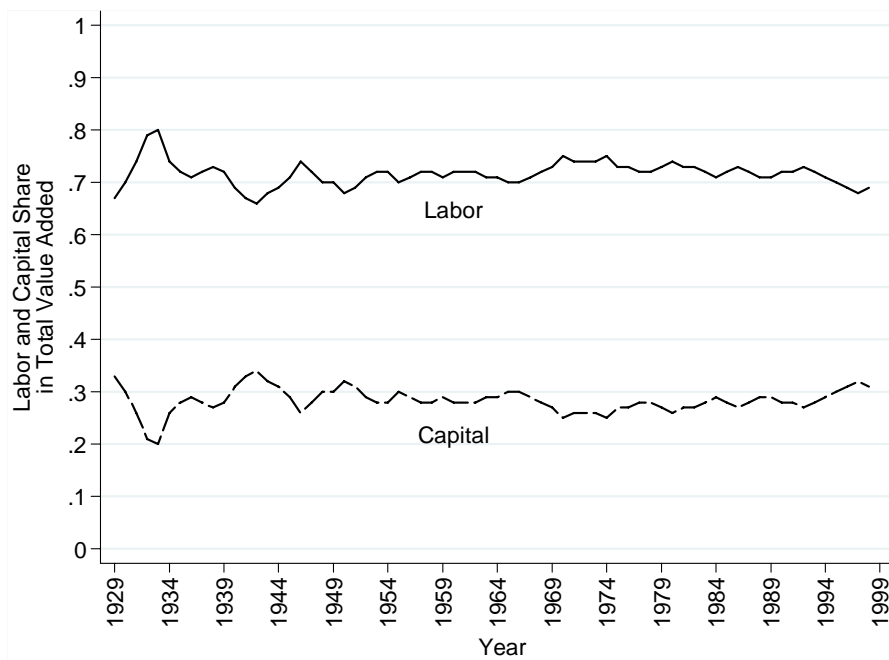


Figure 1: THE EVOLUTION OF THE SHARES OF CAPITAL AND LABOR IN THE US GDP

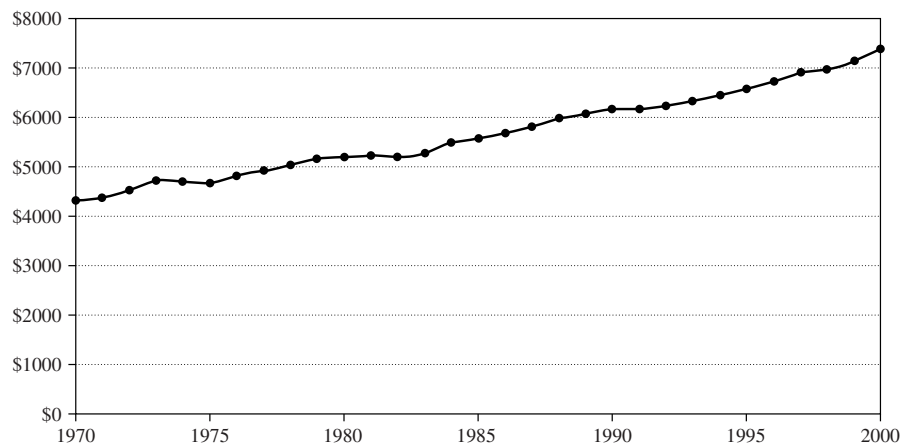


Figure 2: WORLD PER CAPITA GDP (126 COUNTRIES, COVERING 95 PERCENT OF THE WORLD'S POPULATION)