

Table 1.1. Real Gross Domestic Product and Real Gross Domestic Product With R&amp;D Treated as Investment, 1959–2007

	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	
	Millions of chained (2005) dollars												
<b>GDP (from the NIPAs)</b> .....	<b>2,762,461</b>	<b>2,830,931</b>	<b>2,896,880</b>	<b>3,072,390</b>	<b>3,206,708</b>	<b>3,392,314</b>	<b>3,610,127</b>	<b>3,845,342</b>	<b>3,942,523</b>	<b>4,133,393</b>	<b>4,261,800</b>	<b>4,269,940</b>	
Adjusted GDP, with R&D adjusted by: <sup>1</sup>													
Input cost index .....	2,833,282	2,909,687	2,983,007	3,168,682	3,308,906	3,505,674	3,735,009	3,979,444	4,084,463	4,282,764	4,415,977	4,422,085	
Aggregate output price index .....	2,745,576	2,820,475	2,892,545	3,074,527	3,211,798	3,404,730	3,629,731	3,870,274	3,974,937	4,171,705	4,306,497	4,315,962	
	Percent increase in GDP												
Input cost index .....	2.6	2.8	3.0	3.1	3.2	3.3	3.5	3.5	3.6	3.6	3.6	3.6	
Aggregate output price index .....	-0.6	-0.4	-0.1	0.1	0.2	0.4	0.5	0.6	0.8	0.9	1.0	1.1	
	Millions of chained (2005) dollars												
<b>GDP (from the NIPAs)</b> .....	<b>4,413,263</b>	<b>4,647,730</b>	<b>4,917,010</b>	<b>4,889,916</b>	<b>4,879,519</b>	<b>5,141,295</b>	<b>5,377,652</b>	<b>5,677,624</b>	<b>5,855,049</b>	<b>5,838,979</b>	<b>5,987,189</b>	<b>5,870,945</b>	
Adjusted GDP, with R&D adjusted by: <sup>1</sup>													
Input cost index .....	4,566,733	4,805,271	5,078,381	5,048,821	5,035,920	5,300,621	5,540,109	5,844,614	6,025,526	6,013,435	6,168,443	6,057,029	
Aggregate output price index .....	4,460,163	4,698,281	4,971,605	4,941,380	4,925,362	5,185,064	5,420,495	5,719,174	5,895,968	5,881,366	6,029,240	5,918,319	
	Percent increase in GDP												
Input cost index .....	3.5	3.4	3.3	3.2	3.2	3.1	3.0	2.9	2.9	3.0	3.0	3.2	
Aggregate output price index .....	1.1	1.1	1.1	1.1	0.9	0.9	0.8	0.7	0.7	0.7	0.7	0.8	
	Millions of chained (2005) dollars												
<b>GDP (from the NIPAs)</b> .....	<b>6,136,170</b>	<b>6,577,116</b>	<b>6,849,265</b>	<b>7,086,509</b>	<b>7,313,277</b>	<b>7,613,888</b>	<b>7,885,927</b>	<b>8,033,908</b>	<b>8,015,143</b>	<b>8,287,072</b>	<b>8,523,449</b>	<b>8,870,673</b>	
Adjusted GDP, with R&D adjusted by: <sup>1</sup>													
Input cost index .....	6,331,887	6,788,882	7,071,891	7,316,097	7,547,082	7,858,471	8,140,126	8,291,724	8,282,047	8,557,150	8,792,703	9,143,071	
Aggregate output price index .....	6,185,986	6,630,715	6,906,767	7,144,992	7,373,897	7,680,945	7,961,175	8,116,002	8,110,206	8,387,570	8,624,861	8,974,641	
	Percent increase in GDP												
Input cost index .....	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.2	3.3	3.3	3.2	3.1	
Aggregate output price index .....	0.8	0.8	0.8	0.8	0.8	0.9	1.0	1.0	1.2	1.2	1.2	1.2	
	Millions of chained (2005) dollars												
<b>GDP (from the NIPAs)</b> .....	<b>9,093,723</b>	<b>9,433,894</b>	<b>9,854,333</b>	<b>10,283,516</b>	<b>10,779,849</b>	<b>11,225,977</b>	<b>11,347,156</b>	<b>11,552,973</b>	<b>11,840,700</b>	<b>12,263,814</b>	<b>12,638,375</b>	<b>12,976,249</b>	<b>13,228,853</b>
Adjusted GDP, with R&D adjusted by: <sup>1</sup>													
Input cost index .....	9,381,107	9,736,007	10,172,007	10,611,077	11,121,085	11,580,486	11,697,412	11,890,997	12,181,009	12,607,150	12,995,805	13,350,857	13,622,070
Aggregate output price index .....	9,218,319	9,584,450	10,032,273	10,485,978	11,008,905	11,483,564	11,619,639	11,826,860	12,129,552	12,568,501	12,967,276	13,334,013	13,623,183
	Percent increase in GDP												
Input cost index .....	3.2	3.2	3.2	3.2	3.2	3.2	3.1	2.9	2.9	2.8	2.8	2.9	3.0
Aggregate output price index .....	1.4	1.6	1.8	2.0	2.1	2.3	2.4	2.4	2.4	2.5	2.6	2.8	3.0

1. Adjusted GDP incorporates the impact of treating R&D as investment and the removal of the R&D software investment double-count.  
 2. The 2005 chained-dollar values do not match the 2005 current-dollar values because of rounding adjustments.

NOTE: Percent increase is the adjustment to GDP calculated as a percent of unadjusted GDP from the NIPAs.  
 GDP Gross domestic product  
 NIPAs National income and product accounts  
 R&D Research and development

Table 1.2. Gross Domestic Product and Gross Domestic Product With R&amp;D Treated as Investment, 1959–2007

	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	
	Millions of dollars												
<b>GDP (from the NIPAs)</b> .....	<b>506,627</b>	<b>526,438</b>	<b>544,758</b>	<b>585,656</b>	<b>617,760</b>	<b>663,639</b>	<b>719,115</b>	<b>787,692</b>	<b>832,445</b>	<b>909,843</b>	<b>984,431</b>	<b>1,038,326</b>	
Adjusted GDP (with CFC adjusted by): <sup>1</sup>	517,396	538,650	558,550	601,388	634,912	683,269	741,449	812,539	859,802	940,042	1,017,307	1,072,623	
Input cost index .....	517,723	538,951	558,579	601,081	634,765	682,709	740,574	811,545	858,490	938,377	1,015,059	1,070,198	
Aggregate output price index .....													
	Percent increase in GDP												
Input cost index .....	2.1	2.3	2.5	2.7	2.8	3.0	3.1	3.2	3.3	3.3	3.3	3.3	
Aggregate output price index .....	2.2	2.4	2.5	2.6	2.8	2.9	3.0	3.0	3.1	3.1	3.1	3.1	
	Millions of dollars												
<b>GDP (from the NIPAs)</b> .....	<b>1,126,817</b>	<b>1,237,885</b>	<b>1,382,269</b>	<b>1,499,452</b>	<b>1,637,700</b>	<b>1,824,583</b>	<b>2,030,130</b>	<b>2,293,762</b>	<b>2,562,228</b>	<b>2,788,143</b>	<b>3,126,837</b>	<b>3,253,194</b>	
Adjusted GDP (with CFC adjusted by): <sup>1</sup>	1,163,426	1,277,552	1,425,110	1,545,309	1,687,141	1,877,750	2,087,914	2,357,022	2,631,981	2,866,417	3,215,740	3,350,485	
Input cost index .....	1,160,613	1,273,698	1,420,956	1,542,756	1,686,016	1,876,789	2,086,769	2,356,236	2,631,932	2,867,471	3,218,433	3,353,188	
Aggregate output price index .....													
	Percent increase in GDP												
Input cost index .....	3.2	3.2	3.1	3.1	3.0	2.9	2.8	2.8	2.7	2.8	2.8	3.0	
Aggregate output price index .....	3.0	2.9	2.8	2.9	3.0	2.9	2.8	2.7	2.7	2.8	2.9	3.1	
	Millions of dollars												
<b>GDP (from the NIPAs)</b> .....	<b>3,534,606</b>	<b>3,930,895</b>	<b>4,217,470</b>	<b>4,460,067</b>	<b>4,736,354</b>	<b>5,100,422</b>	<b>5,482,146</b>	<b>5,800,527</b>	<b>5,992,094</b>	<b>6,342,306</b>	<b>6,667,350</b>	<b>7,085,160</b>	
Adjusted GDP (with CFC adjusted by): <sup>1</sup>	3,641,166	4,050,692	4,347,518	4,597,759	4,880,837	5,256,944	5,651,235	5,977,743	6,181,288	6,538,952	6,867,653	7,291,531	
Input cost index .....	3,643,517	4,053,403	4,349,934	4,599,723	4,882,201	5,257,969	5,650,788	5,974,626	6,177,401	6,532,649	6,860,208	7,282,704	
Aggregate output price index .....													
	Percent increase in GDP												
Input cost index .....	3.0	3.0	3.1	3.1	3.1	3.1	3.1	3.1	3.2	3.1	3.0	2.9	
Aggregate output price index .....	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.0	3.1	3.0	2.9	2.8	
	Millions of dollars												
<b>GDP (from the NIPAs)</b> .....	<b>7,414,655</b>	<b>7,838,456</b>	<b>8,332,362</b>	<b>8,793,495</b>	<b>9,353,484</b>	<b>9,951,482</b>	<b>10,286,167</b>	<b>10,642,316</b>	<b>11,142,143</b>	<b>11,867,753</b>	<b>12,638,381</b>	<b>13,398,917</b>	<b>14,061,799</b>
Adjusted GDP (with CFC adjusted by): <sup>1</sup>	7,635,988	8,075,566	8,586,564	9,060,135	9,635,946	10,255,194	10,593,379	10,946,496	11,457,604	12,198,094	12,995,811	13,787,661	14,487,709
Input cost index .....	7,623,985	8,059,137	8,565,991	9,036,483	9,611,249	10,229,882	10,567,376	10,920,572	11,430,984	12,170,386	12,967,282	13,759,058	14,458,117
Aggregate output price index .....													
	Percent increase in GDP												
Input cost index .....	3.0	3.0	3.1	3.0	3.0	3.1	3.0	2.9	2.8	2.8	2.8	2.9	3.0
Aggregate output price index .....	2.8	2.8	2.8	2.8	2.8	2.8	2.7	2.6	2.6	2.6	2.6	2.7	2.8

1. Adjusted GDP incorporates the impact of treating R&D as investment and the removal of the R&D software investment double-count.  
Differences based on price indexes are due to the effect of the price indexes on current-cost depreciation.  
NOTE: Percent increase is the adjustment to GDP calculated as a percent of unadjusted GDP from the NIPAs.

CFC Consumption of fixed capital  
GDP Gross domestic product  
NIPAs National income and product accounts  
R&D Research and development

Table 1.3. Gross Domestic Income and Gross Domestic Income With R&amp;D Treated as Investment, 1959–2007

	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	
	Millions of dollars												
<b>GDI (from the NIPAs)</b> .....	<b>506,148</b>	<b>527,390</b>	<b>545,347</b>	<b>585,338</b>	<b>618,584</b>	<b>662,865</b>	<b>717,616</b>	<b>781,519</b>	<b>827,939</b>	<b>905,528</b>	<b>981,560</b>	<b>1,031,449</b>	
Adjusted GDI: <sup>1</sup>													
Input cost index .....	516,917	539,602	559,139	601,070	635,736	682,495	739,950	806,366	855,296	935,727	1,014,436	1,065,746	
Aggregate output price index .....	517,244	539,903	559,168	600,763	635,589	681,935	739,075	805,372	853,984	934,062	1,012,188	1,063,321	
	Percent increase in GDI												
Input cost index .....	2.1	2.3	2.5	2.7	2.8	3.0	3.1	3.2	3.3	3.3	3.3	3.3	
Aggregate output price index .....	2.2	2.4	2.5	2.6	2.7	2.9	3.0	3.1	3.1	3.2	3.1	3.1	
	Millions of dollars												
<b>GDI (from the NIPAs)</b> .....	<b>1,115,803</b>	<b>1,228,939</b>	<b>1,374,250</b>	<b>1,489,638</b>	<b>1,621,394</b>	<b>1,801,113</b>	<b>2,008,917</b>	<b>2,267,707</b>	<b>2,515,255</b>	<b>2,742,851</b>	<b>3,090,256</b>	<b>3,248,444</b>	
Adjusted GDI: <sup>1</sup>													
Input cost index .....	1,152,412	1,268,606	1,417,091	1,535,495	1,670,835	1,854,280	2,066,701	2,330,967	2,585,008	2,821,125	3,179,159	3,345,735	
Aggregate output price index .....	1,149,599	1,264,752	1,412,937	1,532,942	1,669,710	1,853,319	2,065,556	2,330,181	2,584,959	2,822,179	3,181,852	3,348,438	
	Percent increase in GDI												
Input cost index .....	3.3	3.2	3.1	3.1	3.0	3.0	2.9	2.8	2.8	2.9	2.9	3.0	
Aggregate output price index .....	3.0	2.9	2.8	2.9	3.0	2.9	2.8	2.8	2.8	2.9	3.0	3.1	
	Millions of dollars												
<b>GDI (from the NIPAs)</b> .....	<b>3,484,911</b>	<b>3,899,356</b>	<b>4,175,169</b>	<b>4,392,323</b>	<b>4,703,481</b>	<b>5,109,955</b>	<b>5,426,041</b>	<b>5,716,327</b>	<b>5,912,357</b>	<b>6,232,314</b>	<b>6,531,555</b>	<b>6,976,351</b>	
Adjusted GDI: <sup>1</sup>													
Input cost index .....	3,591,471	4,019,153	4,305,217	4,530,015	4,847,964	5,266,477	5,595,130	5,893,543	6,101,551	6,428,960	6,731,858	7,182,722	
Aggregate output price index .....	3,593,822	4,021,864	4,307,633	4,531,979	4,849,328	5,267,502	5,594,683	5,890,426	6,097,664	6,422,657	6,724,413	7,173,895	
	Percent increase in GDI												
Input cost index .....	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.2	3.2	3.1	3.0	
Aggregate output price index .....	3.1	3.1	3.2	3.2	3.1	3.1	3.1	3.0	3.1	3.1	3.0	2.8	
	Millions of dollars												
<b>GDI (from the NIPAs)</b> .....	<b>7,362,133</b>	<b>7,812,536</b>	<b>8,346,336</b>	<b>8,878,816</b>	<b>9,424,551</b>	<b>10,085,468</b>	<b>10,389,521</b>	<b>10,664,388</b>	<b>11,125,532</b>	<b>11,875,602</b>	<b>12,718,041</b>	<b>13,619,489</b>	<b>14,040,664</b>
Adjusted GDI: <sup>1</sup>													
Input cost index .....	7,583,466	8,049,646	8,600,538	9,145,456	9,707,013	10,389,180	10,696,733	10,968,568	11,440,993	12,205,943	13,075,471	14,008,233	14,466,574
Aggregate output price index .....	7,571,463	8,033,217	8,579,965	9,121,804	9,682,316	10,363,868	10,670,730	10,942,644	11,414,373	12,178,235	13,046,942	13,979,630	14,436,982
	Percent increase in GDI												
Input cost index .....	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.9	2.8	2.8	2.8	2.9	3.0
Aggregate output price index .....	2.8	2.8	2.8	2.7	2.7	2.8	2.7	2.6	2.6	2.5	2.6	2.6	2.8

1. Adjusted GDI incorporates the impact of treating R&D as investment and the removal of the R&D software investment double-count.

Note: Percent increase is the adjustment, calculated as a percent of unadjusted GDI from the NIPAs.

GDI Gross domestic income  
NIPAs National income and product accounts  
R&D Research and development

**Table 1.4. National Saving and National Saving With R&D Treated as Investment as a Percent of Adjusted Gross National Income, 1959–2007**

	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	
	Percent of gross national income												
<b>National saving</b> .....	<b>20.8</b>	<b>21.0</b>	<b>20.8</b>	<b>21.2</b>	<b>21.4</b>	<b>21.5</b>	<b>21.9</b>	<b>21.5</b>	<b>20.5</b>	<b>20.0</b>	<b>20.1</b>	<b>18.6</b>	
	Percent of adjusted gross national income												
Adjusted national saving: <sup>1</sup> Aggregate output price index .....	23.1	23.3	23.2	23.5	23.8	23.9	24.3	23.8	22.8	22.3	22.3	20.7	
	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	
	Percent of gross national income												
<b>National saving</b> .....	<b>18.6</b>	<b>19.2</b>	<b>21.1</b>	<b>20.1</b>	<b>18.2</b>	<b>18.8</b>	<b>19.6</b>	<b>20.8</b>	<b>20.9</b>	<b>19.5</b>	<b>20.7</b>	<b>18.9</b>	
	Percent of adjusted gross national income												
Adjusted national saving: <sup>1</sup> Aggregate output price index .....	20.6	21.1	22.9	21.8	20.0	20.6	21.3	22.5	22.7	21.4	22.6	21.0	
	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	
	Percent of gross national income												
<b>National saving</b> .....	<b>17.1</b>	<b>19.1</b>	<b>17.6</b>	<b>16.1</b>	<b>16.6</b>	<b>17.6</b>	<b>17.0</b>	<b>16.0</b>	<b>16.0</b>	<b>14.9</b>	<b>14.6</b>	<b>15.6</b>	
	Percent of adjusted gross national income												
Adjusted national saving: <sup>1</sup> Aggregate output price index .....	19.3	21.3	19.9	18.5	18.9	19.8	19.2	18.2	18.3	17.1	16.7	17.7	
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	Percent of gross national income												
<b>National saving</b> .....	<b>16.5</b>	<b>17.1</b>	<b>18.2</b>	<b>18.6</b>	<b>18.1</b>	<b>17.8</b>	<b>16.2</b>	<b>14.6</b>	<b>13.9</b>	<b>14.4</b>	<b>14.9</b>	<b>15.9</b>	<b>14.2</b>
	Percent of adjusted gross national income												
Adjusted national saving: <sup>1</sup> Aggregate output price index .....	18.5	19.2	20.3	20.6	20.1	19.9	18.4	16.7	16.0	16.5	16.9	18.0	16.5

1. Adjusted national saving incorporates the impact of treating R&D as investment and the removal of the R&D software investment double-count.

NOTE: Slight differences in the saving rate are due to the effect of the alternate price indexes on current-cost depreciation. R&D Research and development

Table 1.5. Aggregate Returns to R&amp;D Assets, 1959–2007

(Millions of dollars)

	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	
<b>Nonprofit institutions serving households:</b>													
Net returns .....	39	39	43	50	58	67	79	89	95	106	111	110	
Depreciation .....	93	99	107	118	130	144	159	178	201	225	249	277	
<b>Government:</b>													
Net returns .....	2,004	2,207	2,519	3,001	3,443	4,080	4,816	5,344	5,555	6,060	6,144	5,861	
Depreciation .....	4,776	5,529	6,281	7,008	7,784	8,722	9,685	10,695	11,810	12,861	13,793	14,807	
	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	
<b>Nonprofit institutions serving households:</b>													
Net returns .....	126	139	153	164	192	215	247	280	303	329	404	422	
Depreciation .....	309	335	362	429	510	558	614	685	782	913	1,062	1,183	
<b>Government:</b>													
Net returns .....	6,407	6,809	7,226	7,500	8,470	9,136	10,091	10,987	11,424	11,982	14,270	14,512	
Depreciation .....	15,748	16,403	17,149	19,671	22,543	23,718	25,139	26,996	29,647	33,523	37,930	41,110	
	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	
<b>Nonprofit institutions serving households:</b>													
Net returns .....	484	593	635	662	728	828	899	943	994	1,077	1,181	1,312	
Depreciation .....	1,280	1,393	1,502	1,625	1,754	1,927	2,127	2,320	2,563	2,775	3,002	3,217	
<b>Government:</b>													
Net returns .....	16,234	19,499	20,599	21,095	22,620	24,806	25,579	25,338	25,118	25,445	26,150	27,395	
Depreciation .....	43,417	46,375	49,317	52,419	55,272	58,711	61,621	63,529	65,987	66,774	67,668	68,347	
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Nonprofit institutions serving households:</b>													
Net returns .....	1,414	1,509	1,623	1,650	1,728	1,821	1,788	1,929	2,184	2,436	2,717	3,031	3,380
Depreciation .....	3,354	3,429	3,549	3,688	3,912	4,227	4,504	4,882	5,293	5,719	6,219	6,721	7,209
<b>Government:</b>													
Net returns .....	28,073	28,568	29,229	28,226	28,042	27,957	26,097	27,014	29,710	32,735	36,068	39,740	43,787
Depreciation .....	67,702	65,936	64,906	64,092	64,512	66,109	67,208	70,176	74,053	78,998	85,201	90,990	95,933

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Note. Aggregate returns are shown as current-cost values. Current-cost depreciation is estimated using the aggregate output price index.





















**Table 4.2. Alternative Price Indexes for R&D Investment, 1959–2007**

[Index numbers, 2005=100]

	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	
Aggregate output price index .....	40.6	40.4	40.1	39.9	39.6	39.6	39.7	40.1	40.9	41.7	42.5	44.0	
Input price index .....	16.2	16.2	16.6	16.8	17.1	17.6	18.1	18.7	19.4	20.3	21.4	22.6	
	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	
Aggregate output price index .....	45.7	46.6	47.7	53.9	61.8	65.2	68.9	73.6	80.0	89.4	100.2	107.4	
Input price index .....	23.9	25.2	26.6	29.0	31.8	33.7	36.0	38.4	41.6	45.5	49.8	52.9	
	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	
Aggregate output price index .....	111.8	116.7	120.1	122.8	124.1	126.2	127.8	127.7	129.3	128.4	128.1	127.5	
Input price index .....	55.0	57.1	58.9	60.4	62.3	64.5	67.0	69.2	71.2	73.1	74.8	76.2	
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Aggregate output price index .....	124.2	118.2	113.0	107.7	104.3	102.8	99.9	98.9	98.3	98.5	100.0	101.1	101.2
Input price index .....	77.3	78.7	80.1	81.5	83.0	86.1	88.2	90.5	93.1	96.4	100.0	103.7	108.3

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Table 6.1. Private Industry Value Added and Private Industry Value Added With R&amp;D Treated as Investment, 1987–2007

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
<b>Current-dollar value added:</b>	Millions of dollars										
Unadjusted for R&D as investment <sup>1</sup> .....	3,894,641	4,192,514	4,508,112	4,748,595	4,870,171	5,158,309	5,433,648	5,802,879	6,085,290	6,455,782	
Adjusted for R&D as investment <sup>2</sup> .....	3,960,114	4,263,789	4,586,528	4,830,564	4,960,817	5,252,580	5,528,505	5,900,151	6,194,077	6,577,022	
	Percent										
Percent change in value added <sup>3</sup> .....	1.7	1.7	1.7	1.7	1.9	1.8	1.7	1.7	1.8	1.9	
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Current-dollar value added:</b>	Millions of dollars										
Unadjusted for R&D as investment <sup>1</sup> .....	6,895,474	7,296,282	7,776,719	8,284,494	8,531,038	8,767,744	9,148,326	9,761,783	10,424,239	11,060,647	11,603,758
Adjusted for R&D as investment <sup>2</sup> .....	7,029,797	7,441,613	7,936,289	8,462,780	8,712,649	8,941,999	9,325,926	9,944,528	10,622,936	11,280,305	11,849,766
	Percent										
Percent change in value added <sup>3</sup> .....	1.9	2.0	2.1	2.2	2.1	2.0	1.9	1.9	1.9	2.0	2.1
	Percent change from preceding period at annual rates										
	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
<b>Current-dollar value added:</b>											
Unadjusted for R&D as investment.....		7.6	7.5	5.3	2.6	5.9	5.3	6.8	4.9	6.1	
Adjusted for R&D as investment.....		7.7	7.6	5.3	2.7	5.9	5.3	6.7	5.0	6.2	
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Current-dollar value added:</b>											
Unadjusted for R&D as investment.....	6.8	5.8	6.6	6.5	3.0	2.8	4.3	6.7	6.8	6.1	4.9
Adjusted for R&D as investment.....	6.9	5.9	6.6	6.6	3.0	2.6	4.3	6.6	6.8	6.2	5.0

1. Corresponds to published values.

2. Adjusted value added incorporates the impact of treating R&amp;D as investment and the removal of the R&amp;D software investment double-count.

3. Calculated as the ratio of the adjustment to unadjusted value added.

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**Table 6.2. Average Annual Effect of Treating R&D as Investment,  
Levels and Growth Rates of Gross Output, Intermediate Inputs, and Value Added, 1987–2007**  
(Percent)

NAICS code	Industry	Average annual percent effect on levels			Average annual growth rates					
					Gross output		Intermediate inputs		Value added	
		Gross output	Intermediate inputs	Value added	Unadjusted <sup>1</sup>	Adjusted for R&D and for R&D software double-count	Unadjusted <sup>1</sup>	Adjusted for R&D and for R&D software double-count	Unadjusted <sup>1</sup>	Adjusted for R&D and for R&D software double-count
3254	<b>Pharmaceutical and medicine manufacturing:</b>									
	Nominal .....	6.9	-28.1	36.5	7.7	8.1	6.6	3.0	8.8	10.1
	Input price index .....				2.8	3.3	3.6	0.1	2.2	4.3
	Aggregate performers output price index .....				2.8	3.6	3.6	-1.4	2.2	5.4
3251–53, 3255–56, 3259	<b>Chemicals minus pharmaceutical and medicine manufacturing:</b>									
	Nominal .....	1.4	-1.5	8.2	4.3	4.3	4.7	4.7	3.7	3.6
	Input price index .....				1.1	1.1	0.8	0.8	2.5	2.2
	Aggregate performers output price index .....				1.1	1.1	0.8	0.7	2.5	2.6
3341	<b>Computer and peripheral equipment manufacturing:</b>									
	Nominal .....	4.9	-1.6	16.0	2.0	2.0	1.1	1.0	4.6	4.6
	Input price index .....				19.8	18.7	7.2	7.3	47.6	39.4
	Aggregate performers output price index .....				19.8	19.0	7.2	7.2	47.6	40.4
3342	<b>Communications equipment manufacturing:</b>									
	Nominal .....	6.5	-2.5	29.9	4.1	4.5	3.4	3.1	6.0	7.1
	Input price index .....				6.6	6.7	6.0	5.8	9.5	8.0
	Aggregate performers output price index .....				6.6	7.0	6.0	5.7	9.5	9.0
3344	<b>Semiconductor and other electronic component manufacturing:</b>									
	Nominal .....	10.2	-2.6	26.7	5.0	5.0	3.9	3.7	6.6	6.4
	Input price index .....				17.9	16.5	4.9	4.9	42.5	32.8
	Aggregate performers output price index .....				17.9	16.9	4.9	4.8	42.5	34.0
3345	<b>Navigational, measuring, electromedical, and control instruments manufacturing:</b>									
	Nominal .....	5.2	-2.2	14.8	3.5	3.7	3.3	3.1	3.9	4.4
	Input price index .....				2.3	2.4	4.0	4.0	0.1	0.6
	Aggregate performers output price index .....				2.3	2.6	4.0	3.9	0.1	1.1
3343, 3346	<b>Other computer and electronic products manufacturing:</b>									
	Nominal .....	2.7	-1.0	8.4	0.7	0.8	-0.4	-0.6	3.1	3.1
	Input price index .....				2.2	2.3	2.1	2.0	4.1	3.5
	Aggregate performers output price index .....				2.2	2.4	2.1	2.0	4.1	3.8
3361–63	<b>Motor vehicles, bodies and trailers, and parts manufacturing:</b>									
	Nominal .....	2.6	-1.5	15.2	3.7	3.7	4.1	4.0	3.0	3.2
	Input price index .....				2.9	2.8	2.7	2.7	3.5	3.2
	Aggregate performers output price index .....				2.9	2.9	2.7	2.7	3.5	3.7
3364	<b>Aerospace product and parts manufacturing:</b>									
	Nominal .....	4.5	-1.6	13.4	3.1	3.0	4.0	4.0	2.4	2.4
	Input price index .....				0.7	0.6	2.3	2.3	-1.0	-1.0
	Aggregate performers output price index .....				0.7	0.8	2.3	2.2	-1.0	-0.5
3365–66, 3369	<b>Other transportation equipment manufacturing:</b>									
	Nominal .....	1.6	-0.4	4.5	5.6	5.6	7.3	7.2	4.2	4.4
	Input price index .....				3.2	3.2	5.1	5.0	1.3	1.4
	Aggregate performers output price index .....				3.2	3.2	5.1	5.0	1.3	1.6
5112	<b>Software publishers:</b>									
	Nominal .....	7.0	-0.8	15.1	14.5	14.6	16.3	16.3	14.3	14.4
	Input price index .....				21.5	20.7	15.8	15.8	29.5	26.7
	Aggregate performers output price index .....				21.5	21.3	15.8	15.8	29.5	27.8
52-53	<b>Finance, insurance, real estate, rental, and leasing:</b>									
	Nominal .....	0.0	0.0	0.1	7.0	7.0	8.1	8.1	6.3	6.3
	Input price index .....				4.0	4.0	5.5	5.5	3.2	3.2
	Aggregate performers output price index .....				4.0	4.0	5.5	5.5	3.2	3.2
5415	<b>Computer systems design and related services:</b>									
	Nominal .....	2.0	-1.9	3.6	11.9	12.0	16.6	16.5	10.8	11.1
	Input price index .....				10.4	10.4	15.7	15.6	9.3	9.3
	Aggregate performers output price index .....				10.4	10.6	15.7	15.6	9.3	9.6
5417	<b>Scientific R&amp;D services:</b>									
	Nominal .....	6.8	-3.4	12.6	9.8	9.9	11.5	11.5	8.8	9.2
	Input price index .....				6.2	6.2	8.6	8.6	4.8	5.0
	Aggregate performers output price index .....				6.2	8.1	8.6	8.5	4.8	7.9
	<b>All other industries:</b>									
	Nominal .....	0.4	-0.2	0.9	5.4	5.3	5.3	5.3	5.4	5.4
	Input price index .....				2.7	2.6	2.5	2.5	2.8	2.8
	Aggregate performers output price index .....				2.7	2.7	2.5	2.5	2.8	2.8
	<b>Nonprofit industries:</b>									
	Nominal .....	0.5	-0.8	1.4	6.9	6.9	6.7	6.7	7.0	7.0
	Input price index .....				3.1	3.1	3.6	3.6	2.7	2.8
	Aggregate performers output price index .....				3.1	3.1	3.6	3.6	2.7	2.8
	<b>Federal government:</b>									
	Nominal .....	7.0	-0.8	15.1	4.2	4.1	4.6	5.4	3.9	3.7
	Input price index .....				0.7	0.9	2.1	2.8	-0.1	0.2
	Aggregate performers output price index .....				0.7	1.2	2.1	0.5	-0.1	1.4
	<b>State and local government:</b>									
	Nominal .....	7.0	-0.8	15.1	6.1	6.1	6.9	6.9	5.7	5.7
	Input price index .....				2.3	2.3	3.5	3.5	1.7	1.8
	Aggregate performers output price index .....				2.3	2.3	3.5	3.5	1.7	1.8

NAICS North American Industry Classification System  
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1. Corresponds to estimates of gross domestic product by industry.

Table 7.1A. Gross Output by Industry With R&amp;D Treated as Investment, 1987–2007

(Millions of dollars)

NAICS code	Industry	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
	<b>All industries</b> .....	<b>8,713,359</b>	<b>9,442,157</b>	<b>10,062,118</b>	<b>10,606,104</b>	<b>10,781,844</b>	<b>11,352,711</b>	<b>11,970,348</b>	<b>12,762,970</b>	<b>13,574,000</b>	<b>14,390,929</b>	
	All for-profit industries.....	7,357,291	7,992,503	8,505,290	8,926,485	8,995,956	9,475,622	10,012,022	10,719,035	11,446,475	12,174,922	
325	Chemical manufacturing.....	241,393	273,940	297,200	305,531	311,639	321,412	330,309	350,139	376,462	382,243	
3254	Pharmaceutical and medicine manufacturing.....	39,720	45,647	51,904	57,246	65,488	68,770	72,261	77,195	82,383	87,351	
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing.....	201,673	228,294	245,295	248,285	246,151	252,642	258,048	272,944	294,079	294,892	
334	Computer and electronic product manufacturing.....	228,521	249,672	254,041	262,719	264,881	281,967	294,598	330,757	385,445	413,888	
3341	Computer and peripheral equipment manufacturing.....	57,525	64,660	62,047	61,491	57,468	63,530	66,045	75,119	88,660	100,252	
3342	Communications equipment manufacturing.....	35,615	37,747	37,560	40,286	39,544	44,450	47,201	55,137	61,547	70,979	
3344	Semiconductor and other electronic component manufacturing.....	54,325	61,230	65,644	66,465	71,186	77,711	84,992	101,614	126,672	134,685	
3345	Navigational, measuring, electromedical, and control instruments manufacturing.....	68,481	72,788	74,913	79,996	81,333	79,953	79,125	79,467	87,016	89,251	
3343, 3346	Other computer and electronic products manufacturing.....	12,575	13,247	13,877	14,480	15,351	16,323	17,234	19,421	21,550	18,722	
336	Transportation equipment manufacturing.....	379,216	405,853	421,275	413,119	401,332	438,873	464,772	506,935	517,871	531,804	
3361–63	Motor vehicles, bodies and trailers, and parts manufacturing.....	246,265	265,729	276,548	255,986	246,308	282,865	318,706	372,640	388,757	394,175	
3364	Aerospace product and parts manufacturing.....	111,576	117,163	120,124	131,770	131,956	131,384	119,035	105,878	100,431	106,814	
3365–66, 3369	Other transportation equipment manufacturing.....	21,375	22,960	24,604	25,363	23,068	24,624	27,030	28,418	28,682	30,815	
5112	Software publishers.....	11,331	14,100	16,351	17,463	19,738	22,683	29,540	36,558	45,452	60,064	
52–53	Finance, insurance, real estate, rental, and leasing.....	1,233,568	1,344,678	1,438,354	1,533,474	1,599,884	1,690,455	1,814,696	1,927,570	2,052,663	2,224,157	
5415	Computer systems design and related services.....	25,142	29,552	34,030	37,216	40,750	44,487	50,817	58,737	67,085	81,158	
5417	Scientific R&D services.....	20,365	24,064	27,070	30,233	30,615	32,227	34,666	36,109	37,885	43,787	
	All other for-profit industries.....	5,217,754	5,650,643	6,016,970	6,326,730	6,327,117	6,643,518	6,992,625	7,472,229	7,963,612	8,437,821	
	Nonprofit industries.....	313,501	347,320	380,131	419,929	450,801	485,084	516,265	543,324	575,457	612,475	
	Government.....	1,042,566	1,102,335	1,176,697	1,259,691	1,335,088	1,392,005	1,442,061	1,500,611	1,552,067	1,603,532	
	Federal government.....	446,255	463,671	488,082	513,183	540,804	550,498	550,709	555,768	555,382	562,756	
	State and local government.....	596,312	638,664	688,615	746,508	794,284	841,507	891,352	944,844	996,685	1,040,776	
		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	<b>All industries</b> .....	<b>15,300,939</b>	<b>16,133,222</b>	<b>17,171,250</b>	<b>18,478,206</b>	<b>18,745,979</b>	<b>19,035,956</b>	<b>19,989,789</b>	<b>21,426,765</b>	<b>23,252,424</b>	<b>24,680,575</b>	<b>25,901,413</b>
	All for-profit industries.....	12,994,980	13,723,144	14,619,535	15,754,987	15,842,403	15,942,805	16,707,654	17,963,908	19,571,831	20,772,634	21,767,187
325	Chemical manufacturing.....	411,575	415,979	423,397	446,574	438,257	463,125	483,655	535,956	595,975	640,160	642,561
3254	Pharmaceutical and medicine manufacturing.....	94,103	105,080	112,851	121,737	134,977	148,993	159,912	167,549	175,926	188,024	186,708
3251–53, 3255–26, 3259	Chemicals minus pharmaceutical and medicine manufacturing.....	317,472	310,899	310,546	324,836	303,280	314,132	323,744	368,406	420,049	452,137	455,853
334	Computer and electronic product manufacturing.....	455,554	456,147	480,974	536,423	451,912	388,032	391,309	403,479	413,020	431,646	433,042
3341	Computer and peripheral equipment manufacturing.....	109,925	111,215	107,797	107,188	87,877	73,638	71,810	68,677	73,233	77,667	78,268
3342	Communications equipment manufacturing.....	83,934	91,051	100,813	129,204	111,312	72,832	69,836	67,399	66,419	77,090	71,901
3344	Semiconductor and other electronic component manufacturing.....	150,337	139,739	155,554	176,272	132,856	123,215	129,122	132,670	137,384	134,012	129,536
3345	Navigational, measuring, electromedical, and control instruments manufacturing.....	93,428	95,152	99,176	106,171	103,020	101,868	104,205	115,267	118,159	126,245	139,664
3343, 3346	Other computer and electronic products manufacturing.....	17,931	18,991	17,633	17,588	16,847	16,479	16,335	19,467	17,825	16,631	13,672
336	Transportation equipment manufacturing.....	583,055	627,523	683,256	635,380	604,893	640,980	663,141	668,727	702,424	712,076	733,644
3361–63	Motor vehicles, bodies and trailers, and parts manufacturing.....	426,750	443,342	505,733	477,796	430,328	472,929	495,713	497,436	502,832	502,184	488,071
3364	Aerospace product and parts manufacturing.....	123,188	148,549	138,882	116,508	134,813	125,769	124,484	124,649	149,070	154,869	183,123
3365–66, 3369	Other transportation equipment manufacturing.....	33,117	35,633	38,640	41,076	39,752	42,282	42,944	46,642	50,522	55,023	62,450
5112	Software publishers.....	70,776	85,781	99,988	112,341	119,739	120,825	123,586	130,674	138,238	151,850	163,282
52–53	Finance, insurance, real estate, rental, and leasing.....	2,358,494	2,559,617	2,791,549	3,107,938	3,228,513	3,341,096	3,541,718	3,843,347	4,226,262	4,507,157	4,717,597
5415	Computer systems design and related services.....	104,391	130,637	157,810	179,690	184,598	179,723	176,730	176,151	191,039	205,275	231,111
5417	Scientific R&D services.....	51,336	59,267	66,063	76,758	85,978	93,855	97,076	104,067	112,515	123,830	132,986
	All other for-profit industries.....	8,959,799	9,388,193	9,916,499	10,659,883	10,728,513	10,715,169	11,230,440	12,101,506	13,192,358	14,000,639	14,712,964
	Nonprofit industries.....	641,289	688,510	729,858	787,952	846,883	902,546	947,895	993,811	1,055,700	1,126,227	1,188,761
	Government.....	1,664,671	1,721,568	1,821,857	1,935,267	2,056,693	2,190,605	2,334,240	2,469,045	2,624,894	2,781,715	2,945,465
	Federal government.....	572,509	571,119	591,389	620,339	650,164	709,724	782,835	846,393	899,734	953,135	997,679
	State and local government.....	1,092,161	1,150,449	1,230,468	1,314,928	1,406,529	1,480,881	1,551,405	1,622,652	1,725,159	1,828,579	1,947,786

NOTE: Gross output with R&D treated as investment and the removal of the R&D software investment double-count.  
NAICS North American Industry Classification System  
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Table 7.1B. Gross Output by Industry With R&amp;D Treated as Investment, 1987–2007

(Millions of chained (2005) dollars)

NAICS code	Industry	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
	<b>All industries</b> .....	<b>13,160,268</b>	<b>13,787,340</b>	<b>14,147,659</b>	<b>14,400,747</b>	<b>14,310,058</b>	<b>14,790,212</b>	<b>15,256,361</b>	<b>15,961,825</b>	<b>16,530,078</b>	<b>17,250,128</b>	
	All for-profit industries .....	10,736,322	11,288,154	11,578,889	11,773,674	11,668,928	12,100,299	12,523,701	13,160,995	13,684,330	14,343,247	
325	Chemical manufacturing .....	419,798	440,770	453,283	459,344	456,413	465,680	469,323	483,853	488,380	494,694	
3254	Pharmaceutical and medicine manufacturing .....	86,747	92,991	97,665	99,777	106,161	104,898	106,039	110,112	114,499	118,610	
3251–53, 3255–56,	Chemicals minus pharmaceutical and medicine manufacturing .....	333,243	348,453	356,797	360,920	352,589	362,868	365,401	375,950	376,303	378,713	
3259	Computer and electronic product manufacturing .....	64,376	70,889	73,062	78,363	80,962	90,349	99,019	116,349	151,453	186,356	
334	Computer and peripheral equipment manufacturing .....	3,739	4,510	4,600	5,007	5,138	6,512	7,875	9,858	13,568	19,472	
3341	Communications equipment manufacturing .....	23,076	24,601	24,556	26,657	26,167	29,528	31,421	37,114	43,121	50,544	
3342	Semiconductor and other electronic component manufacturing .....	7,559	8,400	9,272	10,184	11,432	13,474	15,577	20,109	31,168	41,872	
3344	Navigational, measuring, electromedical, and control instruments manufacturing .....	82,698	85,533	85,124	88,303	87,272	84,284	82,326	81,972	88,748	90,760	
3345	Other computer and electronic products manufacturing .....	9,548	10,140	10,526	10,990	11,590	12,471	13,486	15,533	17,541	15,520	
3343, 3346	Transportation equipment manufacturing .....	472,208	498,521	502,790	481,415	453,655	483,165	501,280	535,133	539,065	548,752	
336	Motor vehicles, bodies and trailers, and parts manufacturing .....	286,646	304,089	308,041	280,422	262,642	294,959	325,448	372,235	384,166	386,721	
3361–63 3364	Aerospace product and parts manufacturing .....	165,168	172,420	171,447	181,350	175,166	168,505	149,585	130,243	121,348	127,559	
3365–66, 3369	Other transportation equipment manufacturing .....	31,856	33,704	34,707	34,454	30,236	31,417	33,923	35,111	33,951	35,805	
5112	Software publishers .....	3,850	5,338	7,318	8,901	10,555	14,953	20,409	27,503	36,141	50,656	
52–53	Finance, insurance, real estate, rental, and leasing .....	2,046,737	2,151,713	2,204,980	2,252,802	2,257,739	2,292,685	2,396,500	2,489,847	2,556,066	2,683,570	
5415	Computer systems design and related services .....	31,795	35,952	40,817	43,366	45,974	49,431	55,310	62,785	69,069	81,619	
5417	Scientific R&D services .....	27,239	30,910	34,027	37,491	37,117	38,988	41,395	42,673	44,350	51,577	
	All other for-profit industries .....	8,039,926	8,423,044	8,635,429	8,778,238	8,680,128	9,000,463	9,263,487	9,699,236	10,029,552	10,424,686	
	Nonprofit industries .....	606,018	635,830	652,229	663,626	656,289	679,684	701,105	733,708	757,926	789,376	
	Government .....	1,860,848	1,899,494	1,954,551	2,004,765	2,031,786	2,052,174	2,068,506	2,097,500	2,111,755	2,134,109	
	Federal government .....	730,521	735,491	753,661	771,003	773,387	765,591	750,053	741,597	721,323	717,968	
	State and local government .....	1,119,906	1,154,839	1,191,872	1,224,727	1,250,017	1,279,628	1,313,337	1,352,179	1,388,524	1,414,975	
		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	<b>All industries</b> .....	<b>18,147,657</b>	<b>19,177,443</b>	<b>20,158,735</b>	<b>21,078,432</b>	<b>21,137,884</b>	<b>21,262,035</b>	<b>21,687,042</b>	<b>22,391,064</b>	<b>23,252,424</b>	<b>23,785,861</b>	<b>24,142,148</b>
	All for-profit industries .....	15,152,805	16,086,683	16,971,023	17,796,167	17,748,535	17,750,685	18,108,741	18,758,873	19,571,831	20,041,167	20,326,177
325	Chemical manufacturing .....	527,907	534,702	544,560	544,471	531,574	562,467	562,685	588,571	595,975	604,179	586,685
3254	Pharmaceutical and medicine manufacturing .....	125,838	127,536	134,473	142,395	154,886	167,334	173,857	175,798	175,926	179,900	173,400
3251–53, 3255–56,	Chemicals minus pharmaceutical and medicine manufacturing .....	404,838	409,969	412,480	403,766	377,172	395,293	388,260	412,697	420,049	424,295	413,274
3259	Computer and electronic product manufacturing .....	228,486	268,434	323,197	402,939	382,090	343,949	364,941	390,429	413,020	449,435	475,491
334	Computer and peripheral equipment manufacturing .....	26,721	35,624	44,792	51,385	51,930	51,443	57,667	60,091	73,233	91,047	107,328
3341	Communications equipment manufacturing .....	60,344	68,666	79,556	106,993	95,943	65,356	65,716	66,162	66,419	78,504	74,008
3342	Semiconductor and other electronic component manufacturing .....	54,817	65,873	88,513	123,669	114,946	109,107	120,612	129,647	137,384	138,878	145,508
3344	Navigational, measuring, electromedical, and control instruments manufacturing .....	94,404	96,351	101,345	108,944	106,177	104,035	105,543	116,042	118,159	124,769	136,853
3345	Other computer and electronic products manufacturing .....	15,194	16,234	15,338	15,535	15,253	15,430	15,646	19,149	17,825	16,873	14,166
3343, 3346	Transportation equipment manufacturing .....	603,459	653,753	709,501	654,043	621,273	662,621	682,069	676,697	702,424	705,889	717,676
336	Motor vehicles, bodies and trailers, and parts manufacturing .....	421,443	442,580	504,171	474,778	429,830	478,505	502,658	499,329	502,832	502,952	483,772
3361–63 3364	Aerospace product and parts manufacturing .....	146,295	175,676	162,731	132,965	149,875	138,251	132,689	128,485	149,070	149,880	174,241
3365–66, 3369	Other transportation equipment manufacturing .....	38,035	40,726	43,988	45,828	43,877	46,332	46,511	48,685	50,522	53,011	58,556
5112	Software publishers .....	65,000	79,518	92,889	102,460	109,016	112,067	118,484	129,676	138,238	150,238	161,503
52–53	Finance, insurance, real estate, rental, and leasing .....	2,776,602	2,965,294	3,197,791	3,493,676	3,587,074	3,609,686	3,730,581	3,937,298	4,226,262	4,398,204	4,481,333
5415	Computer systems design and related services .....	101,491	129,598	154,038	170,412	174,337	172,280	172,763	175,755	191,039	202,834	227,165
5417	Scientific R&D services .....	56,918	66,041	73,594	83,452	93,260	101,284	102,939	107,811	112,515	121,786	127,553
	All other for-profit industries .....	10,920,276	11,476,954	11,914,315	12,343,558	12,254,152	12,198,503	12,379,502	12,755,112	13,192,358	13,410,386	13,555,342
	Nonprofit industries .....	826,072	863,792	892,475	928,663	964,648	1,000,737	1,018,781	1,033,304	1,055,700	1,086,967	1,113,198
	Government .....	2,178,393	2,228,851	2,291,837	2,346,120	2,422,236	2,511,223	2,560,116	2,599,173	2,624,894	2,657,852	2,702,846
	Federal government .....	723,024	718,925	729,884	745,261	764,428	803,739	851,289	883,161	899,734	913,923	924,398
	State and local government .....	1,454,773	1,510,335	1,562,709	1,601,674	1,658,692	1,708,279	1,709,132	1,716,067	1,725,159	1,743,935	1,778,403

NOTES. Implemented using the aggregate output price index.  
Gross output with R&D treated as investment and the removal of the R&D software investment double-count.  
NAICS North American Industry Classification System  
R&D Research and development

Table 7.2A. Gross Output by Industry Unadjusted for R&amp;D as Investment, 1987–2007

(Millions of dollars)

NAICS code	Industry	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
	<b>All industries</b> .....	<b>8,639,922</b>	<b>9,359,516</b>	<b>9,969,567</b>	<b>10,511,114</b>	<b>10,676,472</b>	<b>11,242,426</b>	<b>11,857,619</b>	<b>12,647,199</b>	<b>13,451,594</b>	<b>14,259,899</b>	
	All for-profit industries.....	7,307,760	7,938,747	8,445,959	8,865,529	8,928,209	9,405,202	9,941,937	10,647,593	11,367,116	12,085,424	
325	Chemical manufacturing.....	236,496	268,352	291,094	298,866	304,314	313,776	321,937	341,850	368,021	373,654	
3254	Pharmaceutical and medicine manufacturing.....	37,856	43,423	49,391	54,573	62,331	65,169	68,087	72,777	77,814	82,997	
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing.....	198,640	224,929	241,703	244,293	241,983	248,607	253,850	269,073	290,207	290,657	
334	Computer and electronic product manufacturing.....	216,424	237,145	241,451	250,464	252,548	268,828	281,528	316,066	367,266	392,624	
3341	Computer and peripheral equipment manufacturing.....	54,488	61,517	58,887	58,472	54,432	60,302	62,835	71,520	84,200	95,031	
3342	Communications equipment manufacturing.....	34,572	36,668	36,476	39,499	38,770	43,627	46,409	54,225	60,352	69,534	
3344	Semiconductor and other electronic component manufacturing.....	48,454	55,149	59,532	60,209	64,871	70,978	78,268	94,071	117,408	123,898	
3345	Navigational, measuring, electromedical, and control instruments manufacturing.....	66,544	70,782	72,897	78,020	79,343	77,832	77,014	77,089	84,075	85,812	
3343, 3346	Other computer and electronic products manufacturing.....	12,365	13,030	13,658	14,263	15,131	16,090	17,002	19,160	21,230	18,349	
336	Transportation equipment manufacturing.....	366,590	392,927	407,959	400,835	388,617	424,553	450,697	492,230	502,210	515,049	
	Motor vehicles, bodies and trailers, and parts manufacturing.....	240,617	259,634	269,769	249,481	239,465	275,865	310,611	363,580	378,593	383,174	
3361–63 3364	Aerospace product and parts manufacturing.....	104,960	110,686	113,920	126,298	126,392	124,451	113,410	100,571	95,259	101,400	
3365–66, 3369	Other transportation equipment manufacturing.....	21,013	22,607	24,270	25,056	22,760	24,237	26,676	28,079	28,358	30,475	
5112	Software publishers.....	10,644	13,131	15,162	16,976	18,791	21,716	28,047	35,039	43,584	55,622	
52–53	Finance, insurance, real estate, rental, and leasing.....	1,233,429	1,344,489	1,438,098	1,533,290	1,599,571	1,690,151	1,814,372	1,927,300	2,052,355	2,223,400	
5415	Computer systems design and related services.....	24,897	29,025	33,319	37,289	40,452	44,233	50,476	58,555	66,831	80,564	
5417	Scientific R&D services.....	20,039	23,799	26,380	28,667	28,208	29,774	32,129	33,579	35,399	40,871	
	All other for-profit industries.....	5,199,241	5,629,878	5,992,497	6,299,143	6,295,708	6,612,171	6,962,751	7,442,973	7,931,449	8,403,640	
	Nonprofit industries.....	311,932	345,599	378,270	417,957	448,650	482,733	513,669	540,452	572,375	609,283	
	Government.....	1,020,231	1,075,171	1,145,338	1,227,628	1,299,614	1,354,492	1,402,012	1,459,154	1,512,103	1,565,192	
	Federal government.....	426,218	439,047	459,465	484,000	508,449	516,350	514,314	518,253	519,463	528,502	
	State and local government.....	594,013	636,124	685,873	743,628	791,165	838,142	887,699	940,901	992,641	1,036,691	
		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	<b>All industries</b> .....	<b>15,160,533</b>	<b>15,987,354</b>	<b>17,017,398</b>	<b>18,305,713</b>	<b>18,576,451</b>	<b>18,874,218</b>	<b>19,829,425</b>	<b>21,265,803</b>	<b>23,073,576</b>	<b>24,481,237</b>	<b>25,689,561</b>
	All for-profit industries.....	12,895,125	13,615,032	14,503,672	15,623,752	15,709,338	15,817,404	16,584,863	17,842,214	19,438,643	20,625,212	21,612,843
325	Chemical manufacturing.....	402,529	405,403	412,471	434,414	425,085	448,636	467,232	516,413	574,390	617,198	615,664
3254	Pharmaceutical and medicine manufacturing.....	88,941	100,235	106,742	114,609	126,660	138,440	147,671	152,366	159,035	169,335	164,256
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing.....	313,588	305,168	305,729	319,804	298,425	310,196	319,561	364,046	415,355	447,863	451,408
334	Computer and electronic product manufacturing.....	430,257	429,479	455,314	503,611	415,838	353,246	357,364	371,564	378,466	392,086	393,526
3341	Computer and peripheral equipment manufacturing.....	103,695	104,621	104,918	103,768	86,028	71,241	70,012	65,102	70,060	72,459	73,808
3342	Communications equipment manufacturing.....	82,161	84,603	95,688	119,494	97,164	63,684	61,338	61,793	58,779	68,454	63,159
3344	Semiconductor and other electronic component manufacturing.....	137,569	131,390	145,992	165,235	120,033	109,774	114,642	117,284	121,057	117,776	113,444
3345	Navigational, measuring, electromedical, and control instruments manufacturing.....	89,345	90,342	91,678	97,751	96,603	92,498	95,571	108,778	111,466	117,568	130,089
3343, 3346	Other computer and electronic products manufacturing.....	17,487	18,523	17,038	17,364	16,011	16,050	15,800	18,606	17,105	15,828	13,025
336	Transportation equipment manufacturing.....	566,789	612,172	666,289	619,544	590,241	625,632	644,604	650,749	682,367	690,314	711,472
	Motor vehicles, bodies and trailers, and parts manufacturing.....	416,162	433,183	492,612	464,288	418,304	461,402	482,979	486,125	491,146	490,049	476,517
3361–63 3364	Aerospace product and parts manufacturing.....	117,838	143,678	135,541	114,744	132,892	122,738	119,575	118,930	141,824	146,458	173,780
3365–66, 3369	Other transportation equipment manufacturing.....	32,789	35,310	38,136	40,512	39,045	41,493	42,049	45,694	49,397	53,807	61,174
5112	Software publishers.....	65,527	78,772	92,280	103,574	110,362	111,176	112,140	119,640	129,762	141,239	152,529
52–53	Finance, insurance, real estate, rental, and leasing.....	2,357,532	2,558,329	2,790,547	3,104,700	3,226,767	3,339,794	3,540,934	3,842,573	4,224,191	4,505,964	4,716,342
5415	Computer systems design and related services.....	103,322	129,858	156,835	177,669	177,237	168,464	167,444	170,496	183,732	197,075	223,114
5417	Scientific R&D services.....	47,637	53,941	60,296	68,935	77,841	87,214	91,607	97,709	106,079	117,137	126,750
	All other for-profit industries.....	8,921,532	9,347,079	9,869,639	10,611,306	10,685,967	10,683,240	11,203,538	12,073,070	13,159,656	13,964,199	14,673,447
	Nonprofit industries.....	638,006	685,211	726,465	784,384	843,312	898,704	943,472	988,827	1,050,137	1,120,098	1,182,212
	Government.....	1,627,402	1,687,111	1,787,261	1,897,577	2,023,801	2,158,111	2,301,090	2,434,763	2,584,795	2,735,927	2,894,505
	Federal government.....	539,493	541,022	561,374	587,580	622,379	682,821	755,990	819,019	867,480	916,063	956,179
	State and local government.....	1,087,909	1,146,089	1,225,887	1,309,997	1,401,423	1,475,290	1,545,199	1,615,744	1,717,315	1,819,865	1,938,327

NAICS North American Industry Classification System  
R&D Research and development

Table 7.2B. Gross Output by Industry Unadjusted for R&amp;D as Investment, 1987–2007

(Millions of chained (2005) dollars)

NAICS code	Industry	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
	<b>All industries</b> .....	<b>13,166,700</b>	<b>13,787,674</b>	<b>14,137,065</b>	<b>14,386,064</b>	<b>14,281,101</b>	<b>14,754,640</b>	<b>15,219,061</b>	<b>15,923,115</b>	<b>16,478,365</b>	<b>17,178,489</b>	
	All for-profit industries .....	10,725,118	11,274,755	11,560,089	11,753,058	11,639,355	12,068,324	12,493,422	13,131,112	13,642,848	14,285,118	
325	Chemical manufacturing .....	419,966	440,340	452,390	457,696	453,843	462,740	465,342	480,184	484,267	489,917	
3254	Pharmaceutical and medicine manufacturing .....	87,672	93,557	97,956	99,872	105,774	103,685	103,965	107,805	111,956	116,195	
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing .....	331,597	346,511	354,656	358,224	349,639	360,158	362,463	373,533	373,748	375,442	
334	Computer and electronic product manufacturing .....	57,198	63,254	65,327	70,407	72,880	81,493	89,711	105,609	137,608	169,306	
3341	Computer and peripheral equipment manufacturing .....	3,153	3,838	3,920	4,296	4,416	5,650	6,902	8,686	12,002	17,367	
3342	Communications equipment manufacturing .....	21,921	23,402	23,368	25,617	25,152	28,418	30,289	35,793	41,461	48,505	
3344	Semiconductor and other electronic component manufacturing .....	5,809	6,522	7,280	8,054	9,149	10,881	12,744	16,637	26,202	35,467	
3345	Navigational, measuring, electromedical, and control instruments manufacturing .....	81,905	84,750	84,354	87,633	86,597	83,403	81,418	80,768	86,980	88,336	
3343, 3346	Other computer and electronic products manufacturing .....	9,368	9,955	10,342	10,806	11,406	12,274	13,288	15,309	17,260	15,185	
336	Transportation equipment manufacturing .....	462,691	489,261	493,327	472,899	444,480	472,426	490,949	524,384	526,878	534,618	
	Motor vehicles, bodies and trailers, and parts manufacturing .....	282,817	300,025	303,330	275,755	257,540	289,903	319,463	365,552	376,193	377,413	
3361–63 3364	Aerospace product and parts manufacturing .....	159,734	167,570	167,115	178,329	171,954	163,267	145,593	126,224	117,116	122,774	
3365–66, 3369	Other transportation equipment manufacturing .....	31,590	33,478	34,524	34,306	30,059	31,143	33,706	34,920	33,759	35,584	
5112	Software publishers .....	3,466	4,806	6,662	8,554	9,958	14,349	19,452	26,573	34,922	47,236	
52–53	Finance, insurance, real estate, rental, and leasing .....	2,047,070	2,151,998	2,205,187	2,253,129	2,257,886	2,292,858	2,396,668	2,490,108	2,556,272	2,683,207	
5415	Computer systems design and related services .....	31,696	35,534	40,245	43,741	45,938	49,508	55,311	63,018	69,195	81,373	
5417	Scientific R&D services .....	36,774	41,290	44,325	46,755	44,306	45,841	48,264	49,313	49,697	55,487	
	All other for-profit industries .....	8,032,405	8,413,603	8,621,536	8,760,250	8,657,130	8,978,023	9,243,472	9,680,775	10,006,868	10,397,999	
	Nonprofit industries .....	605,560	635,263	651,518	662,770	655,176	678,330	699,465	731,764	755,655	786,827	
	Government .....	1,890,162	1,922,997	1,972,044	2,020,302	2,042,670	2,057,477	2,069,153	2,095,121	2,107,276	2,125,457	
	Federal government .....	769,446	768,181	780,565	796,129	793,523	779,270	757,760	745,235	721,301	713,417	
	State and local government .....	1,119,320	1,153,998	1,190,851	1,223,570	1,248,605	1,277,880	1,311,229	1,349,721	1,385,853	1,412,024	
		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	<b>All industries</b> .....	<b>18,058,548</b>	<b>19,071,699</b>	<b>20,035,676</b>	<b>20,928,086</b>	<b>20,980,327</b>	<b>21,108,607</b>	<b>21,530,897</b>	<b>22,231,398</b>	<b>23,073,576</b>	<b>23,586,823</b>	<b>23,927,546</b>
	All for-profit industries .....	15,081,151	15,999,973	16,870,635	17,674,687	17,618,427	17,626,785	17,985,787	18,636,437	19,438,643	19,894,849	20,171,470
325	Chemical manufacturing .....	522,425	526,704	535,739	533,868	519,192	548,510	546,303	568,786	574,390	581,483	560,422
3254	Pharmaceutical and medicine manufacturing .....	122,214	124,057	129,350	136,058	147,065	156,969	161,589	160,408	159,035	161,434	151,468
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing .....	401,924	404,374	407,875	398,751	372,122	391,386	384,000	408,278	415,355	420,054	408,888
334	Computer and electronic product manufacturing .....	207,379	244,479	297,611	370,045	346,208	309,367	330,699	358,012	378,466	410,227	436,542
3341	Computer and peripheral equipment manufacturing .....	23,958	32,290	42,426	48,581	49,876	49,034	55,608	56,539	70,060	85,770	103,245
3342	Communications equipment manufacturing .....	57,805	62,426	73,902	97,014	82,187	56,322	57,210	60,431	58,779	69,960	65,341
3344	Semiconductor and other electronic component manufacturing .....	46,661	58,537	79,289	112,057	101,949	95,564	105,900	114,028	121,057	122,823	129,713
3345	Navigational, measuring, electromedical, and control instruments manufacturing .....	91,178	92,179	94,232	100,786	99,847	94,578	96,778	109,452	111,466	116,179	127,374
3343, 3346	Other computer and electronic products manufacturing .....	14,784	15,782	14,764	15,277	14,439	14,982	15,096	18,276	17,105	16,076	13,525
336	Transportation equipment manufacturing .....	589,306	639,929	693,517	638,778	606,668	647,158	663,200	658,434	682,367	684,332	695,709
	Motor vehicles, bodies and trailers, and parts manufacturing .....	412,179	433,305	491,647	461,646	417,806	466,856	489,714	487,842	491,146	490,944	472,357
3361–63 3364	Aerospace product and parts manufacturing .....	141,482	171,386	159,909	131,653	148,322	135,387	127,724	122,677	141,824	141,546	164,946
3365–66, 3369	Other transportation equipment manufacturing .....	37,819	40,508	43,555	45,322	43,185	45,545	45,602	47,724	49,397	51,807	57,292
5112	Software publishers .....	60,718	73,357	85,746	94,056	99,653	102,328	106,921	118,499	129,762	139,655	150,663
52–53	Finance, insurance, real estate, rental, and leasing .....	2,775,951	2,964,215	3,196,996	3,490,306	3,585,269	3,608,349	3,729,784	3,936,514	4,224,191	4,397,010	4,480,071
5415	Computer systems design and related services .....	100,737	129,074	153,180	168,362	166,973	161,116	163,406	169,994	183,732	194,668	219,126
5417	Scientific R&D services .....	62,173	68,412	74,447	80,507	88,661	97,855	99,632	102,480	106,079	114,790	119,333
	All other for-profit industries .....	10,887,139	11,438,584	11,867,446	12,293,932	12,209,792	12,165,774	12,352,210	12,726,279	13,159,656	13,374,334	13,516,356
	Nonprofit industries .....	823,286	860,847	889,312	925,265	961,157	996,917	1,014,307	1,028,247	1,050,137	1,080,908	1,106,744
	Government .....	2,164,971	2,213,338	2,272,353	2,320,102	2,398,298	2,485,754	2,531,581	2,567,074	2,584,795	2,611,222	2,649,498
	Federal government .....	713,659	706,964	714,055	723,301	744,787	783,312	828,851	858,024	867,480	875,895	880,347
	State and local government .....	1,451,412	1,506,643	1,558,606	1,597,087	1,653,772	1,702,757	1,702,878	1,709,069	1,717,315	1,735,326	1,769,104

NAICS North American Industry Classification System  
R&D Research and development

Table 7.3A. Value Added by Industry With R&amp;D Treated as Investment, 1987-2007

(Millions of dollars)

NAICS code	Industry	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
	<b>Gross domestic product</b> .....	<b>4,882,201</b>	<b>5,257,969</b>	<b>5,650,788</b>	<b>5,974,626</b>	<b>6,177,401</b>	<b>6,532,649</b>	<b>6,860,208</b>	<b>7,282,704</b>	<b>7,623,985</b>	<b>8,059,137</b>	
	All for-profit industries .....	3,960,114	4,263,789	4,586,528	4,830,564	4,960,817	5,252,580	5,528,505	5,900,151	6,194,077	6,577,022	
325	Chemical manufacturing .....	92,423	101,759	111,289	119,458	124,452	130,615	135,270	150,220	159,437	162,014	
3254	Pharmaceutical and medicine manufacturing .....	24,710	27,815	31,583	35,448	40,314	43,121	45,540	51,726	55,764	57,922	
3251-53, 3255-56, 3259	Chemicals minus pharmaceutical and medicine manufacturing .....	67,713	73,944	79,707	84,009	84,139	87,494	89,730	98,494	103,673	104,092	
334	Computer and electronic product manufacturing .....	99,011	108,405	112,222	114,779	116,892	120,911	123,681	137,913	156,394	166,035	
3341	Computer and peripheral equipment manufacturing .....	21,119	23,546	23,417	23,172	22,005	23,837	24,464	27,967	32,328	36,224	
3342	Communications equipment manufacturing .....	11,530	12,320	12,578	13,184	13,150	14,461	15,069	17,518	18,971	21,662	
3344	Semiconductor and other electronic component manufacturing .....	27,719	31,847	34,027	34,525	36,375	38,979	41,391	49,208	59,752	63,821	
3345	Navigational, measuring, electromedical, and control instruments manufacturing .....	33,466	35,216	36,373	37,876	38,945	36,918	35,771	35,330	36,865	37,087	
3343, 3346	Other computer and electronic products manufacturing .....	5,177	5,476	5,828	6,021	6,417	6,715	6,986	7,890	8,478	7,241	
336	Transportation equipment manufacturing .....	138,424	141,781	141,933	133,047	142,521	147,906	158,123	165,795	159,224	169,286	
	Motor vehicles, bodies and trailers, and parts manufacturing .....	71,321	75,459	74,827	63,487	65,881	81,131	95,021	113,044	108,404	109,434	
3361-63 3364	Aerospace product and parts manufacturing .....	56,090	55,379	55,650	58,138	64,762	56,300	51,482	42,318	40,633	47,009	
3365-66, 3369	Other transportation equipment manufacturing .....	11,013	10,943	11,457	11,422	11,878	10,474	11,620	10,433	10,186	12,843	
5112	Software publishers .....	5,981	7,895	9,509	9,484	10,981	12,955	16,062	20,007	22,388	31,746	
52-53	Finance, insurance, real estate, rental, and leasing .....	826,212	887,276	949,996	1,014,993	1,075,992	1,155,630	1,220,894	1,280,250	1,363,272	1,442,506	
5415	Computer systems design and related services .....	21,650	24,499	27,806	30,084	32,479	36,046	40,454	45,576	50,847	60,724	
5417	Scientific R&D services .....	14,144	16,640	18,537	21,336	21,899	23,358	25,150	25,985	26,925	30,495	
	All other for-profit industries .....	2,762,270	2,975,534	3,215,236	3,387,383	3,435,600	3,625,159	3,808,872	4,074,405	4,255,590	4,514,216	
	Nonprofit industries .....	185,753	205,516	224,630	248,951	266,613	287,501	306,465	321,541	339,487	361,706	
	Government .....	736,333	788,664	839,631	895,111	949,972	992,567	1,025,238	1,061,012	1,090,423	1,120,410	
	Federal government .....	330,972	351,677	368,889	383,281	407,115	420,068	423,043	427,164	426,759	429,945	
	State and local government .....	405,362	436,986	470,741	511,830	542,857	572,499	602,195	633,848	663,664	690,465	
		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	<b>Gross domestic product</b> .....	<b>8,565,991</b>	<b>9,036,483</b>	<b>9,611,249</b>	<b>10,229,882</b>	<b>10,567,376</b>	<b>10,920,572</b>	<b>11,430,984</b>	<b>12,170,386</b>	<b>12,967,282</b>	<b>13,759,058</b>	<b>14,458,117</b>
	All for-profit industries .....	7,029,797	7,441,613	7,936,289	8,462,780	8,712,649	8,941,999	9,325,926	9,944,528	10,622,936	11,280,305	11,849,766
325	Chemical manufacturing .....	172,573	174,645	180,284	182,177	185,589	205,760	213,716	237,171	236,413	266,926	301,661
3254	Pharmaceutical and medicine manufacturing .....	63,057	70,690	79,349	83,291	89,749	103,888	114,818	129,854	129,702	146,236	167,372
3251-53, 3255-56, 3259	Chemicals minus pharmaceutical and medicine manufacturing .....	109,516	103,955	100,935	98,886	95,840	101,872	98,898	107,317	106,711	120,691	134,289
334	Computer and electronic product manufacturing .....	185,268	185,424	177,467	211,224	171,533	174,019	177,899	198,526	225,354	248,278	246,772
3341	Computer and peripheral equipment manufacturing .....	40,745	50,855	40,261	44,906	26,576	29,631	31,262	35,782	40,533	46,210	40,489
3342	Communications equipment manufacturing .....	25,988	32,353	28,977	40,116	35,132	28,133	26,158	25,214	30,010	33,667	38,447
3344	Semiconductor and other electronic component manufacturing .....	71,892	53,585	55,819	69,241	56,346	58,742	62,295	73,439	83,926	89,134	83,256
3345	Navigational, measuring, electromedical, and control instruments manufacturing .....	39,543	39,246	45,442	50,350	48,273	51,985	51,993	56,283	62,532	70,284	76,639
3343, 3346	Other computer and electronic products manufacturing .....	7,100	9,385	6,968	6,610	5,207	5,528	6,192	7,808	8,354	8,984	7,940
336	Transportation equipment manufacturing .....	172,308	187,328	203,587	205,928	198,292	210,283	216,825	210,865	217,290	219,506	229,940
	Motor vehicles, bodies and trailers, and parts manufacturing .....	111,294	122,560	132,746	137,001	125,249	138,168	144,586	134,969	130,447	126,067	122,798
3361-63 3364	Aerospace product and parts manufacturing .....	48,852	52,224	55,490	52,001	56,800	55,659	55,535	58,403	67,641	72,792	83,081
3365-66, 3369	Other transportation equipment manufacturing .....	12,162	12,543	15,352	16,925	16,963	16,456	16,704	17,493	19,202	20,647	24,062
5112	Software publishers .....	36,775	46,914	64,956	54,126	55,085	65,293	68,963	74,025	76,708	71,595	75,436
52-53	Finance, insurance, real estate, rental, and leasing .....	1,559,478	1,643,447	1,777,168	1,939,571	2,092,019	2,156,435	2,244,855	2,332,546	2,524,110	2,687,356	2,810,007
5415	Computer systems design and related services .....	76,905	90,133	102,759	116,297	124,705	122,590	120,382	124,584	138,144	154,103	170,944
5417	Scientific R&D services .....	35,328	40,423	44,277	52,038	56,113	58,328	60,434	65,229	71,125	76,661	80,303
	All other for-profit industries .....	4,791,162	5,073,300	5,385,791	5,701,419	5,829,312	5,949,292	6,222,853	6,701,581	7,133,791	7,555,880	7,934,704
	Nonprofit industries .....	380,719	403,478	428,486	457,643	486,027	528,413	565,972	606,441	637,174	680,210	722,068
	Government .....	1,155,476	1,191,392	1,246,473	1,309,459	1,368,700	1,450,160	1,539,085	1,619,417	1,707,173	1,798,543	1,902,112
	Federal government .....	434,758	437,521	447,004	464,868	470,449	505,145	541,577	579,872	611,708	644,827	678,288
	State and local government .....	720,718	753,871	799,469	844,591	898,251	945,015	997,509	1,039,635	1,095,464	1,153,716	1,223,824

NOTES. Value added with R&amp;D treated as investment and the removal of the R&amp;D software investment double-count.

GDP for 2007 is consistent with the release of national data on July 30, 2010.

Industry estimates for 2007 are consistent with the release of revised industry data on May 25, 2010.

NAICS North American Industry Classification System

R&amp;D Research and development



Table 7.3B. Value Added by Industry With R&amp;D Treated as Investment, 1987–2007

(Millions of chained (2005) dollars)

NAICS code	Industry	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
	<b>Gross domestic product</b> .....	<b>7,373,897</b>	<b>7,680,945</b>	<b>7,961,175</b>	<b>8,116,002</b>	<b>8,110,206</b>	<b>8,387,570</b>	<b>8,624,861</b>	<b>8,974,641</b>	<b>9,218,319</b>	<b>9,584,450</b>	
	All for-profit industries .....	5,750,451	6,025,763	6,253,544	6,363,486	6,365,513	6,614,929	6,796,683	7,115,863	7,314,809	7,650,023	
325	Chemical manufacturing .....	147,962	144,699	147,561	159,025	158,018	163,241	165,541	178,030	175,243	180,648	
3254	Pharmaceutical and medicine manufacturing .....	56,320	58,774	60,590	62,075	64,327	63,783	64,649	71,670	76,581	78,240	
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing .....	85,895	81,992	83,265	91,622	89,339	94,151	95,502	101,109	95,264	98,689	
334	Computer and electronic product manufacturing .....	9,409	10,893	11,626	12,457	13,016	14,317	15,969	19,431	27,123	34,935	
3341	Computer and peripheral equipment manufacturing .....	104	139	157	185	209	289	412	568	876	1,508	
3342	Communications equipment manufacturing .....	8,677	10,224	10,474	10,674	9,861	10,263	10,323	12,129	13,536	13,926	
3344	Semiconductor and other electronic component manufacturing .....	431	506	580	678	773	945	1,118	1,555	2,892	4,639	
3345	Navigational, measuring, electromedical, and control instruments manufacturing .....	64,924	67,440	65,930	63,488	60,794	54,369	50,864	49,097	48,371	43,295	
3343, 3346	Other computer and electronic products manufacturing .....	5,764	6,543	7,044	6,813	7,209	7,148	7,653	8,736	9,185	5,769	
336	Transportation equipment manufacturing .....	167,425	177,725	173,491	158,102	159,250	155,818	160,584	164,219	160,133	164,331	
	Motor vehicles, bodies and trailers, and parts manufacturing .....	71,127	78,731	76,660	64,687	62,494	72,034	80,580	93,176	92,197	89,845	
3361–63 3364	Aerospace product and parts manufacturing .....	96,881	98,160	95,625	94,910	100,397	82,845	73,835	59,336	56,385	63,239	
3365–66, 3369	Other transportation equipment manufacturing .....	18,166	18,472	18,530	17,559	17,225	14,461	15,773	14,122	13,058	15,606	
5112	Software publishers .....	809	1,336	2,189	2,765	3,500	5,928	7,914	11,434	14,172	22,039	
52–53	Finance, insurance, real estate, rental, and leasing .....	1,423,596	1,474,537	1,511,908	1,547,336	1,571,899	1,621,731	1,668,300	1,707,260	1,751,726	1,792,070	
5415	Computer systems design and related services .....	27,916	30,324	33,944	35,546	36,955	40,284	44,034	48,501	51,465	59,030	
5417	Scientific R&D services .....	17,496	19,838	21,735	24,583	24,541	25,991	27,745	28,567	29,721	34,400	
	All other for-profit industries .....	4,253,360	4,455,939	4,641,847	4,712,059	4,679,279	4,866,582	4,976,965	5,212,208	5,313,537	5,535,878	
	Nonprofit industries .....	390,829	409,841	425,066	432,159	429,110	445,270	457,579	478,901	488,618	509,142	
	Government .....	1,278,543	1,313,947	1,349,447	1,386,590	1,396,463	1,411,452	1,416,258	1,426,164	1,434,444	1,452,866	
	Federal government .....	479,011	488,083	498,611	511,780	514,475	518,332	513,346	509,975	500,445	502,823	
	State and local government .....	790,581	818,127	843,786	867,733	875,120	886,618	898,021	912,780	933,104	949,895	
		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	<b>Gross domestic product</b> .....	<b>10,032,273</b>	<b>10,485,978</b>	<b>11,008,905</b>	<b>11,483,564</b>	<b>11,619,639</b>	<b>11,826,860</b>	<b>12,129,552</b>	<b>12,568,501</b>	<b>12,967,276</b>	<b>13,334,013</b>	<b>13,623,183</b>
	All for-profit industries .....	8,057,199	8,474,223	8,951,475	9,396,706	9,527,020	9,666,248	9,890,022	10,274,468	10,622,936	10,957,685	11,214,109
325	Chemical manufacturing .....	189,690	183,010	194,732	198,391	196,723	215,052	220,243	244,230	236,413	259,930	294,148
3254	Pharmaceutical and medicine manufacturing .....	84,255	83,746	94,004	97,790	103,662	114,369	121,495	133,216	129,702	140,187	157,189
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing .....	102,157	96,743	98,988	99,149	92,638	100,363	98,772	111,022	106,711	119,788	137,118
334	Computer and electronic product manufacturing .....	45,561	60,489	76,367	117,219	120,230	133,442	151,337	184,056	225,354	271,390	296,360
3341	Computer and peripheral equipment manufacturing .....	2,597	5,087	6,529	9,619	8,865	15,132	21,204	28,292	40,533	60,290	68,292
3342	Communications equipment manufacturing .....	15,230	19,461	18,730	28,037	25,135	21,974	22,639	24,108	30,010	35,426	41,112
3344	Semiconductor and other electronic component manufacturing .....	6,873	8,599	14,325	31,307	40,516	43,907	52,303	68,962	83,926	97,011	103,397
3345	Navigational, measuring, electromedical, and control instruments manufacturing .....	41,914	39,978	46,460	52,016	49,347	51,881	51,333	55,939	62,532	70,440	76,511
3343, 3346	Other computer and electronic products manufacturing .....	4,581	5,998	4,576	4,595	3,806	4,400	5,318	7,313	8,354	9,490	8,759
336	Transportation equipment manufacturing .....	167,273	180,552	191,234	191,601	179,896	195,867	202,004	202,518	217,290	230,293	243,361
	Motor vehicles, bodies and trailers, and parts manufacturing .....	92,397	102,015	107,766	111,943	101,368	117,526	125,233	124,097	130,447	139,214	138,548
3361–63 3364	Aerospace product and parts manufacturing .....	64,545	67,235	69,224	62,076	63,021	61,453	58,764	59,997	67,641	70,913	80,694
3365–66, 3369	Other transportation equipment manufacturing .....	14,366	14,474	17,531	18,815	18,220	17,499	17,620	18,282	19,202	20,240	23,095
5112	Software publishers .....	29,597	38,396	53,518	43,823	44,409	54,494	61,801	71,733	76,708	72,048	77,933
52–53	Finance, insurance, real estate, rental, and leasing .....	1,872,222	1,928,169	2,056,076	2,196,074	2,330,433	2,322,830	2,353,808	2,385,397	2,524,110	2,628,491	2,683,940
5415	Computer systems design and related services .....	70,969	85,626	95,879	104,774	111,835	112,750	114,658	123,144	138,144	153,084	170,215
5417	Scientific R&D services .....	37,129	43,255	47,919	55,196	59,794	62,172	63,417	67,280	71,125	76,607	78,971
	All other for-profit industries .....	5,783,569	6,051,947	6,302,213	6,514,497	6,508,995	6,583,176	6,730,209	6,999,241	7,133,791	7,268,916	7,377,997
	Nonprofit industries .....	530,689	539,784	551,912	561,068	567,961	592,467	611,917	632,174	637,174	655,199	674,525
	Government .....	1,481,533	1,510,948	1,537,872	1,573,060	1,593,611	1,632,173	1,659,942	1,684,456	1,707,173	1,725,292	1,758,309
	Federal government .....	512,353	521,764	527,843	541,175	542,113	560,304	579,950	598,801	611,708	619,876	632,491
	State and local government .....	969,087	989,180	1,010,298	1,032,087	1,051,902	1,072,182	1,080,137	1,085,684	1,095,464	1,105,418	1,125,824

NOTES. Implemented using the aggregate output price index.

Value added with R&amp;D treated as investment and the removal of the R&amp;D software investment double-count.

GDP for 2007 is consistent with the release of national data on July 30, 2010.

Industry estimates for 2007 are consistent with the release of revised industry data on May 25, 2010.

NAICS North American Industry Classification System

R&amp;D Research and development

Table 7.4A. Value Added by Industry Unadjusted for R&amp;D as Investment, 1987–2007

(Millions of dollars)

NAICS code	Industry	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
	<b>Gross domestic product</b> .....	<b>4,736,354</b>	<b>5,100,422</b>	<b>5,482,146</b>	<b>5,800,527</b>	<b>5,992,094</b>	<b>6,342,306</b>	<b>6,667,350</b>	<b>7,085,160</b>	<b>7,414,655</b>	<b>7,838,456</b>	
	All for-profit industries .....	3,894,641	4,192,514	4,508,112	4,748,595	4,870,171	5,158,309	5,433,648	5,802,879	6,085,290	6,455,782	
325	Chemical manufacturing .....	81,793	89,703	98,180	105,039	108,629	113,982	117,086	131,794	139,768	141,660	
3254	Pharmaceutical and medicine manufacturing .....	19,022	21,246	24,332	27,578	31,315	33,131	34,275	39,761	42,631	44,726	
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing .....	62,771	68,457	73,848	77,462	77,314	80,851	82,811	92,032	97,137	96,934	
334	Computer and electronic product manufacturing .....	85,058	93,961	97,707	100,480	102,466	105,557	108,395	120,743	135,077	141,135	
3341	Computer and peripheral equipment manufacturing .....	17,598	19,905	19,757	19,630	18,439	20,046	20,693	23,735	27,084	30,092	
3342	Communications equipment manufacturing .....	10,227	10,977	11,235	12,120	12,091	13,338	13,978	16,273	17,336	19,704	
3344	Semiconductor and other electronic component manufacturing .....	21,192	25,086	27,234	27,547	29,322	31,462	33,886	40,782	49,372	51,739	
3345	Navigational, measuring, electromedical, and control instruments manufacturing .....	31,112	32,772	33,910	35,418	36,456	34,272	33,128	32,372	33,188	32,803	
3343, 3346	Other computer and electronic products manufacturing .....	4,930	5,220	5,571	5,764	6,157	6,439	6,711	7,582	8,097	6,798	
336	Transportation equipment manufacturing .....	122,475	125,392	124,960	117,148	126,033	129,587	139,792	146,446	138,208	146,734	
	Motor vehicles, bodies and trailers, and parts manufacturing .....	63,329	66,868	65,314	54,289	56,198	71,238	83,619	100,271	93,891	93,695	
3361–63 3364	Aerospace product and parts manufacturing .....	48,534	47,972	48,559	51,780	58,301	48,305	44,947	36,120	34,497	40,579	
3365–66, 3369	Other transportation equipment manufacturing .....	10,612	10,552	11,087	11,079	11,534	10,044	11,225	10,055	9,820	12,460	
5112	Software publishers .....	5,237	6,863	8,253	8,920	9,945	11,895	14,467	18,381	20,379	27,117	
52–53	Finance, insurance, real estate, rental, and leasing .....	826,038	887,053	949,708	1,014,766	1,075,625	1,155,272	1,220,515	1,279,923	1,362,873	1,441,624	
5415	Computer systems design and related services .....	21,347	23,890	26,997	30,028	32,010	35,618	39,923	45,205	50,369	59,860	
5417	Scientific R&D services .....	13,597	16,124	17,581	19,462	19,162	20,563	22,252	23,074	23,982	27,070	
	All other for-profit industries .....	2,739,096	2,949,529	3,184,727	3,352,752	3,396,301	3,585,834	3,771,219	4,037,314	4,214,634	4,470,582	
	Nonprofit industries .....	183,271	202,761	221,604	245,688	263,056	283,650	302,282	317,011	334,718	356,768	
	Government .....	658,442	705,147	752,430	806,244	858,867	900,348	931,420	965,270	994,648	1,025,906	
	Federal government .....	256,619	272,060	285,914	298,912	320,847	332,979	334,674	337,217	337,013	341,647	
	State and local government .....	401,823	433,087	466,516	507,332	538,020	567,369	596,746	628,053	657,635	684,259	
		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	<b>Gross domestic product</b> .....	<b>8,332,362</b>	<b>8,793,495</b>	<b>9,353,484</b>	<b>9,951,482</b>	<b>10,286,167</b>	<b>10,642,316</b>	<b>11,142,143</b>	<b>11,867,753</b>	<b>12,638,381</b>	<b>13,398,917</b>	<b>14,061,799</b>
	All for-profit industries .....	6,895,474	7,296,282	7,776,719	8,284,494	8,531,038	8,767,744	9,148,326	9,761,783	10,424,239	11,060,647	11,603,758
325	Chemical manufacturing .....	150,731	150,058	152,846	152,206	153,163	169,567	171,402	186,801	182,650	207,932	224,725
3254	Pharmaceutical and medicine manufacturing .....	47,857	55,747	60,244	61,970	65,833	74,858	80,284	87,636	84,580	95,450	99,958
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing .....	102,874	94,311	92,601	90,236	87,330	94,709	91,118	99,165	98,071	112,482	124,767
334	Computer and electronic product manufacturing .....	155,760	153,780	146,749	172,065	128,239	132,573	136,948	159,635	183,273	200,024	197,657
3341	Computer and peripheral equipment manufacturing .....	33,449	43,124	36,761	40,762	24,234	26,666	28,944	31,347	36,558	39,725	34,754
3342	Communications equipment manufacturing .....	23,626	24,316	22,394	27,968	17,633	16,693	15,384	17,823	20,467	22,753	27,350
3344	Semiconductor and other electronic component manufacturing .....	57,603	44,162	44,967	56,765	41,774	43,413	45,631	55,691	65,036	70,072	63,944
3345	Navigational, measuring, electromedical, and control instruments manufacturing .....	34,508	33,347	36,370	40,233	40,390	40,795	41,452	48,016	53,828	59,540	64,510
3343, 3346	Other computer and electronic products manufacturing .....	6,574	8,830	6,257	6,336	4,207	5,005	5,536	6,758	7,384	7,934	7,099
336	Transportation equipment manufacturing .....	150,374	166,473	179,630	183,197	177,259	188,659	190,642	184,770	188,652	189,053	198,183
	Motor vehicles, bodies and trailers, and parts manufacturing .....	96,118	107,913	113,595	117,438	107,684	121,309	125,550	117,583	112,622	107,561	104,573
3361–63 3364	Aerospace product and parts manufacturing .....	42,465	46,383	51,248	49,484	53,419	51,770	49,387	50,777	58,101	62,347	71,276
3365–66, 3369	Other transportation equipment manufacturing .....	11,790	12,177	14,786	16,275	16,156	15,579	15,704	16,410	17,929	19,145	22,334
5112	Software publishers .....	31,318	39,656	56,931	45,017	45,330	55,251	57,008	62,445	67,719	60,319	63,643
52–53	Finance, insurance, real estate, rental, and leasing .....	1,558,379	1,641,989	1,775,951	1,935,991	2,089,998	2,154,895	2,243,799	2,331,428	2,521,596	2,685,771	2,808,338
5415	Computer systems design and related services .....	75,514	89,031	101,337	113,691	116,245	109,835	109,653	117,740	129,320	144,278	160,205
5417	Scientific R&D services .....	31,052	34,478	37,742	43,374	47,078	50,706	53,837	57,628	63,018	68,249	71,900
	All other for-profit industries .....	4,742,346	5,020,816	5,325,533	5,638,953	5,773,727	5,906,259	6,185,037	6,661,334	7,088,012	7,505,022	7,879,108
	Nonprofit industries .....	375,547	398,140	422,846	451,595	479,734	521,602	558,495	598,286	628,238	670,459	711,479
	Government .....	1,061,341	1,099,074	1,153,919	1,215,393	1,275,395	1,352,970	1,435,322	1,507,684	1,585,904	1,667,812	1,762,392
	Federal government .....	347,110	351,881	361,507	378,399	385,084	416,585	447,295	478,415	501,809	526,507	552,052
	State and local government .....	714,231	747,193	792,412	836,994	890,311	936,385	988,027	1,029,269	1,084,095	1,141,305	1,210,340

NOTES. GDP for 2007 is consistent with the release of national data on July 30, 2010.  
Industry estimates for 2007 are consistent with the release of revised industry data on May 25, 2010.  
NAICS North American Industry Classification System  
R&D Research and development

Table 7.4B. Value Added by Industry Unadjusted for R&amp;D as Investment, 1987–2007

(Millions of chained (2005) dollars)

NAICS code	Industry	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	
	<b>Gross domestic product</b> .....	<b>7,313,277</b>	<b>7,613,888</b>	<b>7,885,927</b>	<b>8,033,908</b>	<b>8,015,143</b>	<b>8,287,072</b>	<b>8,523,449</b>	<b>8,870,673</b>	<b>9,093,723</b>	<b>9,433,894</b>	
	All for-profit industries .....	5,732,526	6,004,337	6,226,181	6,332,005	6,323,493	6,569,861	6,752,090	7,070,743	7,252,751	7,567,382	
325	Chemical manufacturing .....	145,815	140,130	141,920	152,511	149,689	154,087	154,440	167,446	162,343	166,081	
3254	Pharmaceutical and medicine manufacturing .....	60,302	61,333	62,169	62,613	63,300	60,581	59,327	66,571	69,981	70,793	
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing .....	82,459	77,870	78,843	86,641	84,087	89,165	90,227	96,414	90,227	92,778	
334	Computer and electronic product manufacturing .....	5,222	6,171	6,660	7,223	7,598	8,390	9,507	11,692	16,529	21,449	
3341	Computer and peripheral equipment manufacturing .....	38	53	61	75	86	126	192	275	440	816	
3342	Communications equipment manufacturing .....	6,260	7,518	7,741	8,095	7,437	7,730	7,793	9,175	10,063	10,136	
3344	Semiconductor and other electronic component manufacturing .....	119	146	174	209	247	311	383	557	1,124	1,918	
3345	Navigational, measuring, electromedical, and control instruments manufacturing .....	67,521	70,234	68,574	65,862	62,877	55,503	51,644	49,205	47,206	40,630	
3343, 3346	Other computer and electronic products manufacturing .....	5,476	6,251	6,756	6,524	6,921	6,840	7,344	8,388	8,746	5,268	
336	Transportation equipment manufacturing .....	156,987	167,726	162,735	147,731	148,472	142,658	147,551	150,180	143,642	145,251	
	Motor vehicles, bodies and trailers, and parts manufacturing .....	65,473	72,903	69,869	57,700	55,048	64,576	71,916	83,457	80,687	76,656	
3361–63 3364	Aerospace product and parts manufacturing .....	92,630	94,584	92,582	93,138	99,128	77,339	69,820	54,624	51,252	57,612	
3365–66, 3369	Other transportation equipment manufacturing .....	18,000	18,343	18,447	17,493	17,154	14,194	15,583	13,916	12,832	15,377	
5112	Software publishers .....	571	971	1,676	2,357	2,897	5,183	6,827	10,215	12,593	18,426	
52–53	Finance, insurance, real estate, rental, and leasing .....	1,424,035	1,474,925	1,512,220	1,547,760	1,572,131	1,622,006	1,668,563	1,707,611	1,751,976	1,791,672	
5415	Computer systems design and related services .....	27,732	29,778	33,216	35,735	36,677	40,113	43,755	48,434	51,227	58,339	
5417	Scientific R&D services .....	27,367	30,558	32,268	34,251	32,051	33,244	35,088	35,641	35,343	38,461	
	All other for-profit industries .....	4,244,568	4,444,738	4,625,689	4,690,394	4,651,593	4,839,553	4,952,585	5,189,512	5,284,987	5,502,196	
	Nonprofit industries .....	390,667	409,449	424,400	431,136	427,628	443,434	455,330	476,290	485,551	505,639	
	Government .....	1,302,360	1,335,997	1,368,588	1,402,082	1,409,678	1,417,941	1,417,941	1,422,175	1,421,208	1,427,567	
	Federal government .....	516,116	522,524	529,735	539,555	540,097	537,121	525,700	515,057	493,293	483,102	
	State and local government .....	790,223	817,223	842,569	866,214	873,184	884,231	895,202	909,491	929,373	945,569	
		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	<b>Gross domestic product</b> .....	<b>9,854,333</b>	<b>10,283,516</b>	<b>10,779,849</b>	<b>11,225,977</b>	<b>11,347,156</b>	<b>11,552,973</b>	<b>11,840,700</b>	<b>12,263,814</b>	<b>12,638,375</b>	<b>12,976,249</b>	<b>13,228,853</b>
	All for-profit industries .....	7,956,694	8,353,888	8,809,300	9,229,659	9,348,809	9,493,461	9,711,491	10,090,037	10,424,239	10,739,900	10,969,286
325	Chemical manufacturing .....	172,711	161,502	169,477	169,936	164,571	178,711	177,301	193,132	182,650	201,561	218,310
3254	Pharmaceutical and medicine manufacturing .....	73,650	72,428	77,519	78,410	80,667	85,522	86,538	90,372	84,580	89,981	91,268
3251–53, 3255–56, 3259	Chemicals minus pharmaceutical and medicine manufacturing .....	96,464	87,853	91,073	90,790	84,170	93,107	90,864	102,754	98,071	111,670	127,714
334	Computer and electronic product manufacturing .....	28,221	38,668	51,137	81,501	81,169	94,227	111,249	144,814	183,273	223,815	248,676
3341	Computer and peripheral equipment manufacturing .....	1,513	3,338	4,922	7,397	7,128	12,598	18,683	23,985	36,558	53,778	63,392
3342	Communications equipment manufacturing .....	10,913	11,444	11,443	15,760	10,100	11,183	12,207	16,593	20,467	24,636	30,319
3344	Semiconductor and other electronic component manufacturing .....	2,971	4,272	7,724	20,158	26,800	29,239	35,921	51,041	65,036	78,373	84,793
3345	Navigational, measuring, electromedical, and control instruments manufacturing .....	38,024	34,803	37,842	42,236	41,584	40,674	40,705	47,550	53,828	59,797	64,495
3343, 3346	Other computer and electronic products manufacturing .....	4,041	5,353	3,896	4,190	2,937	3,860	4,643	6,255	7,384	8,454	7,944
336	Transportation equipment manufacturing .....	147,821	161,241	168,193	169,299	158,628	173,651	175,371	176,007	188,652	200,150	211,969
	Motor vehicles, bodies and trailers, and parts manufacturing .....	79,079	88,434	89,978	93,497	84,391	100,516	106,120	106,475	112,622	120,963	120,635
3361–63 3364	Aerospace product and parts manufacturing .....	58,587	61,675	65,493	60,174	60,791	57,775	52,548	52,254	58,101	60,557	68,969
3365–66, 3369	Other transportation equipment manufacturing .....	14,110	14,204	17,041	18,226	17,430	16,621	16,607	17,184	17,929	18,755	21,388
5112	Software publishers .....	25,051	32,008	45,922	35,361	35,099	44,493	49,887	60,048	67,719	60,789	66,053
52–53	Finance, insurance, real estate, rental, and leasing .....	1,871,518	1,926,967	2,055,102	2,192,351	2,328,358	2,321,259	2,352,736	2,384,265	2,521,596	2,626,909	2,682,268
5415	Computer systems design and related services .....	69,675	84,463	94,214	101,804	103,324	100,252	103,930	116,172	129,320	143,310	159,472
5417	Scientific R&D services .....	42,307	45,456	48,320	51,776	54,459	57,736	58,947	60,687	63,018	67,912	68,624
	All other for-profit industries .....	5,741,729	6,003,434	6,242,647	6,451,470	6,451,713	6,539,310	6,691,815	6,958,418	7,088,012	7,218,608	7,323,176
	Nonprofit industries .....	526,672	535,247	546,792	555,359	561,769	585,644	604,338	623,901	628,238	645,559	664,093
	Government .....	1,443,109	1,461,845	1,479,441	1,507,126	1,519,784	1,549,263	1,564,849	1,576,297	1,585,904	1,593,247	1,614,082
	Federal government .....	479,955	479,013	475,908	482,475	475,461	485,562	494,274	501,131	501,809	500,113	501,594
	State and local government .....	964,064	983,561	1,003,958	1,024,993	1,044,173	1,063,583	1,070,541	1,075,168	1,084,095	1,093,153	1,112,560

NOTES. GDP for 2007 is consistent with the release of national data on July 30, 2010.  
Industry estimates for 2007 are consistent with the release of revised industry data on May 25, 2010.  
NAICS North American Industry Classification System  
R&D Research and development

**Table 8. Gross Output, Intermediate Inputs, and Value Added for Pharmaceutical and Medicine Manufacturing Unadjusted and Adjusted for R&D as Investment, 2007**

Line	Steps	Description	2007
			(Millions of dollars)
1	<b>Industry gross output before adjustments</b>	<b>Tabulation of BEA GDP-by-industry data, including unpublished detail<sup>1</sup></b>	<b>164,256</b>
2	<b>Plus: Own-account R&amp;D investment, which is calculated as</b>		<b>22,487</b>
3	National Science Foundation (NSF) R&D expenditures from the Survey of Industrial R&D (SIRD) <sup>2</sup>	Funds for industrial R&D performed in the United States. <sup>3</sup>	47,741
4	Plus: Adjustments to account for the full cost of production and to create a consistent time series	(1) A capital consumption adjustment is made to convert business depreciation to the national accounting concept—consumption of fixed capital (CFC). (2) Expenditures for Federally funded research and development centers (FFRDCs) are removed for years when they are included in the industry performance total.	1,073
5	Less: The cost for R&D performed in company headquarters (NAICS 551), R&D services subsidiary establishments, and auxiliary R&D services establishments (both in NAICS 5417)	This estimate is based on R&D payroll in company headquarters (NAICS 551) and R&D services subsidiary establishments, and auxiliary R&D services establishments (both in NAICS 5417), using unpublished data from the Census Bureau and SIRD.	22,377
6	Less: The cost of R&D funded by the Federal Government	Federally funded industry performed R&D adjusted for CFC. <sup>3</sup>	(D)
7	Less: The cost of R&D funded by state and local (S&L) governments	Total funding estimated in the NIPA-based R&D satellite account, less an estimate of the gap between funder outlays and costs. <sup>4</sup> Total costs distributed across industries using the distribution of Federally funded R&D, excluding the aerospace product and parts manufacturing industry (NAICS 3364) and the navigational, measuring, electromedical, and control instruments manufacturing industry (NAICS 3345). These types of R&D are assumed to be primarily defense related.	(D)
8	Less: The cost of R&D funded by nonprofit institutions serving households	Assumed to be zero.	0
9	Less: The cost of (1) R&D sold to other domestic businesses and (2) exported R&D	For both domestic purchases and exports, costs are calculated for this step using an estimate of the gap between funder outlays and costs. <sup>4</sup> Total R&D sold to other domestic businesses is estimated with industry purchases from other domestic for-profit companies. The industry is assumed to sell R&D in proportion to their performance. <sup>5</sup> Cost of exports are based on BEA international services trade data for research, development, and testing services. <sup>6</sup>	(D)
10	Plus: R&D expenses to create software that are not accounted for in NSF data	Special tabulation of BEA own-account software R&D. These expenses are added for time series consistency. They are removed in the step below in the double-count adjustment.	No adjustment necessary
11	<b>Less: The double-counting of own-account R&amp;D software investment</b>	<b>Special tabulation of BEA own-account software data.</b>	<b>35</b>
12	<b>Equals: Gross output adjusted for own-account R&amp;D as investment</b>		<b>186,708</b>
13	<b>Intermediate inputs before capitalization</b>	<b>Tabulation of GDP-by-industry data, including unpublished detail.<sup>1</sup></b>	<b>64,298</b>
14	<b>Less: Total purchased R&amp;D, calculated as the sum of</b>		<b>44,962</b>
15	Cost of R&D performed in a company headquarters (NAICS 551) or R&D services auxiliary (NAICS 5417) and transferred for use in pharmaceutical and medicine manufacturing establishments (line 5)	The costs incurred in NAICS 5417 and NAICS 551 establishments, described in line 5, are transferred as the sum of production costs. The auxiliary establishment component of NAICS 5417 output is estimated with the ratio of auxiliary output to total private output of NAICS 5417 data from the Economic Census.	9,813
16	Plus: R&D purchased from a R&D services (NAICS 5417) domestic subsidiary for use in pharmaceutical and medicine manufacturing establishments (line 5)	These costs are adjusted with an estimate of the gap between receipts and costs to represent the purchase value of R&D output. <sup>4</sup>	15,488
17	Plus: Purchases of nonscience and engineering R&D from for-profit R&D services establishments (NAICS 54172)	Total purchases for all industries are based on BEA's annual input-output values. Capitalized R&D should include social science R&D, and this measure provides a partial estimate. This industry share is proxied with the distribution of business purchases of R&D from non-profits and universities and colleges from SIRD. <sup>5</sup>	5,930
18	Plus: Industry-funded R&D performed by academic institutions	Total for all industries from unpublished detail from the NIPA-based R&D satellite account estimate. Industry share comes from SIRD data on company-funded R&D performed by universities and colleges. <sup>5</sup>	1,809
19	Plus: Industry-funded R&D performed by nonprofit institutions serving households	Total for all industries from unpublished detail from the NIPA-based R&D satellite account estimate. Industry share comes from SIRD data on company-funded R&D performed by nonprofit organizations (other than universities and colleges). <sup>5</sup>	643
20	Plus: Industry-funded R&D performed by FFRDCs	Total for all industries from unpublished detail from the NIPA-based R&D satellite account estimate. Industry share assumes that the same industries purchase R&D from FFRDCs as perform R&D for the Federal government.	(D)
21	Plus: Industry-funded R&D performed by S&L governments	Total for all industries from unpublished detail from the NIPA-based R&D satellite account estimate. Industry share is proxied with SIRD data on company-funded R&D performed by academic and nonprofit organizations. <sup>5</sup>	(D)
22	Plus: (1) Domestic purchases of R&D from other for-profit companies and (2) imports of R&D	Industry purchases are estimated based on SIRD data on business purchases of R&D from other domestic for-profit companies. <sup>5</sup> Industry imports are estimated based on BEA data on international trade in R&D services. <sup>6</sup>	(D)
23	<b>Intermediate inputs including R&amp;D adjustments (line 13 less line 14)</b>		<b>19,336</b>
24	<b>Value added before adjustments (line 1 less line 13)</b>	<b>Tabulation of BEA GDP-by-industry data, including unpublished detail.<sup>1</sup></b>	<b>99,958</b>
25	Plus: Total R&D investment less the double-counting of own-account R&D software investment (line 2 plus line 14 less line 11)	Special tabulation of BEA own-account software data.	67,414
26	<b>Value added including R&amp;D adjustments (line 12 less line 23)</b>		<b>167,372</b>
27	<b>Addendum: Total R&amp;D investment including software R&amp;D (line 2 plus line 14)</b>		<b>67,449</b>

1. BEA GDP-by-industry data are available at <[www.bea.gov/industry/gdpbyind\\_data.htm](http://www.bea.gov/industry/gdpbyind_data.htm)>.  
2. NSF SIRD data are available at <[www.nsf.gov/statistics/industry](http://www.nsf.gov/statistics/industry)>. Historical data are provided in the Industrial Research and Development Information System at <[www.nsf.gov/statistics/iris](http://www.nsf.gov/statistics/iris)>.  
3. 2007 SIRD, table 1.  
4. Estimated with the ratio of net operating surplus to gross output for miscellaneous professional, scientific, and technical services (NAICS 5412OP) from BEA's GDP-by-industry data, various years.  
5. 2007 SIRD, table 13.  
6. BEA international services trade data are available at <[www.bea.gov/international/intlsvr.htm](http://www.bea.gov/international/intlsvr.htm)>. Industry

detail is based on a tabulation of unpublished data for the years 1997–2007 for both affiliated and unaffiliated trade.  
GDP Gross domestic product  
NIPAs National income and product accounts  
NAICS North American Industry Classification System  
R&D Research and development  
D Suppressed to avoid disclosure of data from individual companies.