Economic Growth and Macroeconomic Dynamics

Recent Developments in Economic Theory

Edited by

STEVE DOWRICK

Australian National University

ROHAN PITCHFORD

Australian National University

STEPHEN J. TURNOVSKY

University of Washington



Contents

| Pί | reface | page vii |
|---------|---|----------|
| C_{i} | ontributors | xiii |
| | PART ONE. TOPICS IN GROWTH THEORY | |
| 1 | Growth and the Elasticity of Factor Substitution John D. Pitchford | 3 |
| 2 | Relative Wealth, Catching Up, and Economic Growth Ngo Van Long and Koji Shimomura | 18 |
| 3 | Knowledge and Development: A Schumpeterian Approach <i>Phillipe Aghion, Cecilia Garcia-Pehalosa, and Peter Howitt</i> | 46 |
| | PART TWO. STATISTICAL ISSUES IN GROWTH AND DYNAMICS | |
| 4 | Delinearizing the Neoclassical Convergence Model Steve Dowrick | 83 |
| 5 | Bifurcations in Macroeconomic Models William A. Barnett and Yijun He | 95 |
| | PART THREE. DYNAMIC ISSUES IN INTERNATIONAL ECONOMICS | |
| 6 | Dynamic Trade Creation Eric O'N. Fisher and Neil Vousden | 115 |
| 7 | Substitutability of Capital, Investment Costs, and Foreign Aid Santanu Chatterjee and Stephen J. Turnovsky | 138 |
| 8 | Microchurning with Smooth Macro Growth: Two Examples Ronald W. Jones | 171 |
| In | dex | 179 |