

STAGES OF GROWTH IN ECONOMIC DEVELOPMENT*

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Abstract

The paper analyses a two-sector model of endogenous growth with two common features of economic development: stages of sustained growth and underdevelopment traps. The model also demonstrates the transitional issues of a *temporary underdevelopment trap*, *seemingly sustainable growth*, and a *slowdown in productivity growth*. The temporary underdevelopment trap occurs when the economy exhibits a regime of extensive growth (i.e. slowly declining growth in physical capital with no growth in human capital) but then starts a transition to a sustained growth. The seemingly sustainable growth occurs when the economy exhibits a regime of intensive growth (i.e. both capitals are growing) but the growth of human capital ceases and the economy eventually finishes in a zero growth trap. The slowdown in productivity growth occurs when the transition from low growth stage to high growth stage is not monotonic.

Abstrakt

Prce se zabv dvousektorovm modelem se dvma charakteristickmi znaky ekonomickho rozvoje: stadiem trvalho rstu a past nerozvjejc se ekonomiky. Model tak demonstuje pechodov procesy *doasn pasti nerozvjejc se ekonomiky*, *zdnliv trvalho rstu a zpomalen rstu produktivity*. Doasn past nerozvjejc se ekonomiky se projev v ppadech, kdy se ekonomika rozvj zprvu extenzivn (t.j. fyzick kapitl roste klesajcm tempem a lidsk kapitl nulovm tempem), pak vak nhle nastane pechod k trvalmu rstu. Reim zdnliv trvalho rstu se projevuje u ekonomik, kter rostou intenzivn (t.j. roste fyzick i lidsk kapitl), pak se vak nhle zastav rst lidskho kapitlu a ekonomika konverguje do pasti s nulovm rstem. Zpomalen rstu produktivity se projevuje v ppadech, kdy pechod ze stdia s malm rstem do stdia s vysokm rstem nen monotonn.

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