Country Risk, Government Effectiveness, and Government Religious Regulation

WILLIAM R. DIPIETRO

Two potential attributes of the government that may be important for the maintenance of political stability and for the degree of polyarchy within a nation are the scope of government religious regulation and the effectiveness of the government. This paper uses cross-country regression analysis to assess the effect of government religious regulation and overall government effectiveness on polyarchy and political stability, and the effect of polyarchy and political stability on country risk.

A Reformulation of Demand-Led Growth: Transformational Growth and the Consumption-Growth Relationship

DAVIDE GUALERZI

Demand-led growth is an alternative to the dominant supply-determined approach to growth theory. The main open problem is to show in which way demand matters also in the long run. For that reason it is of particular relevance the question of the growth of demand, therefore of the rise of new markets, and its relationship to structural change. Building on the theory of Transformational Growth, the paper presents a conceptual framework that brings together autonomous investment, structural change and demand structure, therefore focusing on the Consumption-Growth relationship. In particular, the structural dynamics of market creation is the result of the effort to build the market by firms aiming at exploiting the potential implicit in the development of needs.

Formulating Non-Proportionally Growing Economies: A Generalisation of Pasinetti's Analysis

SOBEI H. ODA

This paper describes non-proportionally growing economies with changing technology and consumption demand. Specifically, this paper gives a new expression of the quantity system of nonproportionally growing economies without assuming

anything about the types of technical progress or the dynamics of consumption demand, as well as some mathematical analysis and simulations as examples of its applications. The new expression can be regarded as a generalisation of Pasinetti's formulation of non-proportionally growing economies in terms of vertically hyper-integrated sectors, because both formulations based on the same economic model while the former can analyse properly what the latter cannot express: non-labour-augmenting technical progress, seasonal change in consumption and production, traverse for changing technology and consumption demand, etc.. The new expression of non-proportionally growing economies, which pays a special attention to the time structure of production, strengthens the analytical power of the multi-sectorial production model and Pasinetti's analysis of structural change, deepening our understanding of real economies, where technology and consumption demand never cease to change. This paper provides the following: 1. The derivation of the new expression of non-proportionally growing economies as well as its application to non-labour-augmenting technical progress and other examples mentioned above with their mathematical analysis and numerical simulations. 2. Some discussion about the time structure of production in the von-Neumann model as well as some implications of non-proportional growth to the Keynesian policies.

Relative Prices in the Classical Theory: Facts and Figures

CHRISTIAN BIDARD & HANS G. EHRBAR

This paper surveys, extends and illustrates recent results on the movement of relative prices of production when distribution changes.