

Economics 304
Daily Problem #5

Fall 2013
September 16

The first sections of Burda and Wyplosz's Chapter 4 deal with absolute and conditional convergence. There are many variables that have been proposed as determinants of a country's steady-state growth path. The Sala-i-Martin paper on the reading list finds 22 variables that seem to be statistically related to growth in convergence regressions. (See his Table 1.) For each of these, give a *brief* explanation for why you think it turned out to have the effect on growth that it did.