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SUMMARY 7

LIMITS TO GROWTH

Readings: Slides, Ch 7

The modified replication argument when land enters the production functions; the law of motion for the capital-output ratio in the full model; the condition for persistent growth with technological change and a fixed factor; new implication implications – negative impact of population growth on long-run (steady state growth), positive impact of relative land abundance; non-renewable natural resources (oil); the production function with energy as an input; energy and the stock of natural resources; the law of motion for the stock of resources; the law of motion for the capital-output ratio; the possibility of zero long-run growth with constant population.