



UvA-DARE (Digital Academic Repository)

Essays on Economic Growth and Imperfect Markets

Tang, P.J.G.

Publication date
2001

[Link to publication](#)

Citation for published version (APA):

Tang, P. J. G. (2001). *Essays on Economic Growth and Imperfect Markets*. [Thesis, externally prepared, Universiteit van Amsterdam]. Thela Thesis.

General rights

It is not permitted to download or to forward/distribute the text or part of it without the consent of the author(s) and/or copyright holder(s), other than for strictly personal, individual use, unless the work is under an open content license (like Creative Commons).

Disclaimer/Complaints regulations

If you believe that digital publication of certain material infringes any of your rights or (privacy) interests, please let the Library know, stating your reasons. In case of a legitimate complaint, the Library will make the material inaccessible and/or remove it from the website. Please Ask the Library: <https://uba.uva.nl/en/contact>, or a letter to: Library of the University of Amsterdam, Secretariat, Singel 425, 1012 WP Amsterdam, The Netherlands. You will be contacted as soon as possible.

Economic growth is at the heart of economic policy. What must a country do to boost productivity and to raise the rate of growth? Much attention has been given to the German 'Wirtschaftswunder' or the miraculous example of Japan. However, these countries turned out to be normal after all, at least in terms of economic performance. The truth is that a blueprint for high productivity and growth is not readily available. This book provides numerous reasons why one should distrust these blueprints. It contains exercises in 'second-best economics'. Introducing or increasing a 'distortion' in an already distorted economy may prove to be beneficial. This type of reasoning leads to believe that a national trade union may try to boost growth, competition on goods markets may lower the incentive to invest in innovative products, and progressive taxes may boost employment. These examples do not add up to a blueprint, let alone a blueprint in which markets are given unrestricted leeway. The book also shows in detail how growth and income inequality interact. It specifically considers the consequences of more job uncertainty and the implications of globalisation.

Paul J.G. Tang is currently working for the CPB Netherlands Bureau for Economic Policy Analysis, where he is concerned with the issues of growth and development, international trade and climate change. His work for the CPB is familiar to his work at the University of Amsterdam. At this university he worked as a research assistant, and started to write on these essays on economic growth.