The Economic Growth Centre cordially invites you to a seminar by Ho Kong Weng

Speakers:  
Asst Prof Ho Kong Weng  
Division of Economics  
School of Humanities and Social Sciences

Topic:  
"Growth Accounting for a Follower-Economy in a World of Ideas: The Example of Singapore"

Chairperson:  
Assoc Prof Chen Kang  
Division of Economics  
School of Humanities and Social Sciences

Date:  
Wednesday, 23 August 2006

Time:  
2:30 pm - 4:00 pm

Venue:  
Executive Seminar Room 10 (Block S3.1-B2-11)  
Nanyang Business School (Southspine 3)  
Nanyang Technological University

About the Speaker:

Dr Ho obtained his PhD from the University of Chicago. He has published in the areas of social mobility, international outsourcing, wage inequality, technopreneurship, and unemployment, including both theoretical investigations and empirical studies using Singapore data. His current research topics include intergenerational transmission of religious human capital, economic growth of a small open economy in a world of ideas, trade and indeterminacy, non-monotonic relationship between human capital and unemployment, and happiness studies.

Abstract:

In this paper (co-authored with Prof. Hian Teck Hoon of SMU), we take another approach to accounting for the sources of Singapore’s economic growth by being explicit about the channels through which Singapore, as a technological follower, benefits from international R&D spillovers. Taking into account the channels through which technology developed in the G5 countries diffuses to technological followers, we show that 57.5 percent of Singapore’s real GDP per worker growth rate over the 1970-2002 period is due to multifactor productivity growth. In particular, about 52 percent of the growth is accounted for by an increase in the effectiveness of accessing ideas developed by the technology leaders through improvement in our educational quality and increase in machinery imports and foreign direct investment from the G5 countries. We also find that capital accumulation that takes the form of imports of machinery as well as foreign direct investment from the G5 countries enhances the effectiveness of technology transfer thus raising the rate of return to capital. Compared to the rate of return to capital inferred from the traditional Solow growth model with purely exogenous technological progress of 10.8 percent, taking into account the technology transfer channel raises the implied rate of return to 13 percent.

Reservation:

Admission is free. Please reply to Christina, e-mail: achristina@ntu.edu.sg or Tel: 6790-5689 to confirm your attendance.