

University of Groningen

Essays on dynamic macroeconomics

Romp, Willem Eduard

IMPORTANT NOTE: You are advised to consult the publisher's version (publisher's PDF) if you wish to cite from it. Please check the document version below.

Document Version

Publisher's PDF, also known as Version of record

Publication date:

2007

[Link to publication in University of Groningen/UMCG research database](#)

Citation for published version (APA):

Romp, W. E. (2007). *Essays on dynamic macroeconomics: the role of demographics and public capital*. [Thesis fully internal (DIV), University of Groningen]. [s.n.].

Copyright

Other than for strictly personal use, 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), unless the work is under an open content license (like Creative Commons).

The publication may also be distributed here under the terms of Article 25fa of the Dutch Copyright Act, indicated by the "Taverne" license. More information can be found on the University of Groningen website: <https://www.rug.nl/library/open-access/self-archiving-pure/taverne-amendment>.

Take-down policy

If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.

Downloaded from the University of Groningen/UMCG research database (Pure): <http://www.rug.nl/research/portal>. For technical reasons the number of authors shown on this cover page is limited to 10 maximum.

Bibliography

- Aaron, H. J. (1990). Discussion. In A. H. Munnell (Ed.), *Is there a shortfall in public capital?* Boston: Federal Reserve Bank of Boston.
- Agénor, P., Nabli, M. K., and Yousoef, T. M. (2005). *Public infrastructure and private investment in the middle east and north africa* (Policy Research Paper No. 3661). Washington: World Bank.
- Ai, C., and Cassou, S. P. (1995). A normative analysis of public capital. *Applied Economics*, 27, 1201–1209.
- Albala-Bertrand, J. M. (2004). *Can the composition of capital constrain potential output? A gap approach* (Working Paper No. 510). London: Queen Mary University of London, Department of Economics.
- Albala-Bertrand, J. M., and Mamatzakis, E. C. (2004). The impact of public infrastructure on the productivity of the Chilean economy. *Review of Development Economics*, 8(2), 266–278.
- Altig, D., Auerbach, A. J., Kotlikoff, L. J., Smetters, K. A., and Walliser, J. (2001). Simulating fundamental tax reform in the United States. *American Economic Review*, 91(3), 574–595.
- Aschauer, D. A. (1989). Is public expenditure productive? *Journal of Monetary Economics*, 23, 177–200.
- Aschauer, D. A. (2000). Do states optimise? Public capital and economic growth. *The Annals of Regional Science*, 34, 343–363.
- Auerbach, A. J., and Kotlikoff, L. J. (1987). *Dynamic Fiscal Policy*. Cambridge: Cambridge University Press.
- Auerbach, A. J., Gokhale, J., and Kotlikoff, L. J. (1994). Generational accounting: A meaningful way to evaluate fiscal policy. *Journal of Economic Perspectives*, 8(1), 73–94.
- Azariadis, C., and Drazen, A. (1990). Threshold externalities in economic development. *Quarterly Journal of Economics*, 105, 501–526.

- Barr, N., and Diamond, P. (2006). The economics of pensions. *Oxford Review of Economic Policy*, 22(1), 15–39.
- Barro, R. J. (1991). Economic growth in a cross section of countries. *The Quarterly Journal of Economics*, 106(2), 407–443.
- Bassanini, A., and Scarpetta, S. (2002). Does human capital matter for growth in OECD countries? A pooled mean-group approach. *Economic Letters*, 74(3), 399–405.
- Batina, R. G. (1998). On the long run effects of public capital and disaggregated public capital on aggregate output. *International Tax and Public Finance*, 5(3), 263–281.
- Batina, R. G. (1999). On the long run effects of public capital on aggregate output: Estimation and sensitivity analysis. *Empirical Economics*, 24, 711–717.
- Bellman, R., and Cooke, K. L. (1963). *Differential-Difference Equations*. New York: Academic Press.
- Belloc, M., and Vertova, P. (2006). Public investment and economic performance in highly indebted poor countries: An empirical assessment. *International Review of Applied Economics*, 20(2), 151–170.
- Ben-Porath, Y. (1967). The production of human capital and the life cycle of earnings. *Journal of Political Economy*, 75(4, Part 1), 352–365.
- Berndt, E. R., and Hansson, B. (2004). *Measuring the contribution of public infrastructure capital in Sweden* (Working Paper No. 3842). Cambridge, MA: NBER.
- Bettendorf, L. J. H., and Heijdra, B. J. (2001a). Intergenerational and international welfare leakages of a product subsidy in a small open economy. *International Tax and Public Finance*, 8, 705–729.
- Bettendorf, L. J. H., and Heijdra, B. J. (2001b). Intergenerational welfare effects of a tariff under monopolistic competition. *Journal of Economics*, 73, 313–346.
- Bettendorf, L. J. H., and Heijdra, B. J. (2006). Population ageing and pension reform in a small open economy with non-traded goods. *Journal of Economic Dynamics and Control*, 30, 2389–2424.
- Bils, M., and Klenow, P. J. (2000). Does schooling cause growth? *American Economic Review*, 90, 1160–1183.
- Blanchard, O. J. (1985). Debts, deficits, and finite horizons. *Journal of Political Economy*, 93(2), 223–247.
- Blanchard, O. J., and Fischer, S. (1989). *Lectures on Macroeconomics*. Cambridge, MA: MIT Press.
- Bonaglia, F., La Ferrara, E., and Marcellino, M. (2000). *Public capital and economic*

- performance: Evidence from Italy* (Working Paper No. 163). Milano: IGIER.
- Boscá, J. E., Escribá, F. J., and Murgui, M. J. (2000). The effect of public infrastructure on the private productive sector of Spanish regions. *Journal of Regional Science*, 42, 301–326.
- Boucekkine, R., de la Croix, D., and Licandro, O. (2002). Vintage human capital, demographic trends, and endogenous growth. *Journal of Economic Theory*, 104, 340–375.
- Bougheas, S., Demetriades, P. O., and Morgenroth, E. L. (1999). Infrastructure, transport costs and trade. *Journal of International Economics*, 47, 169–189.
- Bovenberg, A. L. (1993). Investment promoting policies in open economies: The importance of intergenerational and international distributional effects. *Journal of Public Economics*, 51(1), 3–54.
- Bovenberg, A. L. (1994). Capital taxation in the world economy. In F. van der Ploeg (Ed.), *Handbook of International Macroeconomics*. Oxford: Basil Blackwell.
- Broer, P. (1999). *Growth and welfare distribution in an ageing society: An applied general equilibrium analysis for the Netherlands* (Research Memorandum No. 9908). Rotterdam: OCFEB.
- Buiter, W. H. (1988). Death, birth, productivity growth and debt neutrality. *Economic Journal*, 98, 279–293.
- Burbidge, J. B., and Robb, A. L. (1980). Pensions and retirement behaviour. *Canadian Journal of Economics*, 13(3), 421–437.
- Cadot, O., Röller, L. H., and Stephan, A. (2002). *Contribution to productivity or pork barrel? The two faces of infrastructure investment* (Discussion Paper No. FS IV 02-09). Berlin: WZB.
- Calderón, C., and Servén, L. (2002). *The output cost of Latin America's infrastructure gap* (Working Paper No. 186). Santiago: Central Bank of Chile.
- Calvo, G. A., and Obstfeld, M. (1988). Optimal time-consistent fiscal policy with finite lifetimes. *Econometrica*, 56, 411–432.
- Canaleta, C. G., Arzo, P. P., and Gurate, M. R. (2002). *Public capital, regional productivity and spatial spillovers* (Working Paper No. 9811). Pamplona: Universidad Pública de Navarra, Lan Gaiak Departamento de Economía.
- Canning, D. (1998). A database of world infrastructure stocks, 1950–1995. *World Bank Economic Review*, 12, 529–547.
- Canning, D. (1999). *The contribution of infrastructure to aggregate output* (Working Paper No. 2246). Washington, DC: World Bank.
- Canning, D., and Bennathan, E. (2000). *The social rate of return on infrastructure*

- investments* (Working Paper No. 2390). Washington, DC: World Bank.
- Canning, D., and Pedroni, P. (1999). *Infrastructure and long run economic growth*. (Mimeo, World Bank, Washington DC.)
- Charlot, S., and Schmitt, B. (1999). *Public infrastructure and economic growth in France's regions*. (Paper (#129) for ERSA 39th Congress, Dublin, Ireland)
- Cohen, J., and Morrison Paul, C. (2004). Public infrastructure investment, interstate spatial spillovers, and manufacturing costs. *The Review of Economics and Statistics*, 86(2), 551–560.
- Conrad, K., and Seitz, H. (1994). The economic benefits of public infrastructure. *Applied Economics*, 26, 303–311.
- Crowder, W., and Himarios, D. (1997). Balanced growth and public capital: An empirical analysis. *Applied Economics*, 29(8), 1045–1053.
- d'Albis, H., and Augeraud-Véron, E. (2005). *Endogenous retirement and monetary cycles*. (Mimeo, GREMAQ, University of Toulouse, I (October))
- Davidoff, T., Brown, J. R., and Diamond, P. A. (2005). Annuities and individual welfare. *American Economic Review*, 95(5), 1573–1590.
- de Haan, J., Sturm, J. E., and Sikken, B. (1996). Government capital formation: Explaining the decline. *Weltwirtschaftliches Archiv*, 132, 55–74.
- de la Croix, D., and Licandro, O. (1999). Life expectancy and endogenous growth. *Economics Letters*, 65, 255–263.
- de la Fuente, A., and Doménech, R. (2006). Human capital in growth regressions: How much difference does data quality make? *Journal of the European Economic Association*, 4, 1–36.
- de la Fuente, A., and Vives, X. (1995). Infrastructure and education as instruments of regional policy: Evidence from Spain. *Economic Policy*, 10(20), 13–51.
- Delgado Rodriguez, M., and Álvarez Ayuso, I. (2000). *Public productive infrastructure and economic growth*. (Paper for ERSA 40th Congress)
- Demetriades, P., and Mamuneas, T. (2000). Intertemporal output and employment effects of public infrastructure capital: Evidence from 12 OECD economies. *Economic Journal*, 110, 687–712.
- Devarajan, S., Swaroop, V., and Zou, H. (2000). The composition of public expenditure and economic growth. *Journal of Monetary Economics*, 37, 313–344.
- Diamond, P. A. (1965). National debt in a neoclassical growth model. *American Economic Review*, 55, 1126–1150.
- Driffill, E. J. (1980). Life-cycles with terminal retirement. *International Economic Review*, 21, 45–62.

- Duggal, V., Saltzman, C., and Klein, L. (1999). Infrastructure and productivity: A non-linear approach. *Journal of Econometrics*, 92, 47–74.
- Duval, R. (2003). *The retirement effects of old-age pension and early retirement schemes in OECD countries* (Economics Department Working Paper Series No. 370). Paris: OECD.
- Easterly, W., and Rebelo, S. (1993). Fiscal policy and economic growth: An empirical investigation. *Journal of Monetary Economics*, 32, 417–458.
- Eberts, R. (1986). *Estimating the contribution of urban public infrastructure to regional growth* (Working Paper No. 8610). Cleveland, OH: Federal Reserve Bank of Cleveland.
- Egger, H., and Falkinger, J. (2003). *The role of public infrastructure for firm location and international outsourcing* (Working Paper No. 970). Munchen: CESifo.
- Esfahani, H., and Ramíres, M. (2003). Institutions, infrastructure and economic growth. *Journal of Development Economics*, 70, 443–477.
- Estache, A. (2006). *Infrastructure. a survey of recent and upcoming issues*. (Mimeo, World Bank, Washington DC.)
- Evans, P., and Karras, G. (1994). Government capital productive? Evidence from a panel of seven countries. *Journal of Macroeconomics*, 16, 271–279.
- Everaert, G. (2003). Balanced growth and public capital: An empirical analysis with I(2) trends in capital stock data. *Economic Modelling*, 20, 741–763.
- Everaert, G., and Heylen, F. (2004). Public capital and long-term labour market performance in Belgium. *Journal of Policy Modelling*, 26, 95–112.
- Faruqee, H. (2003). Debt, deficits, and age-specific mortality. *Review of Economic Dynamics*, 6, 300–312.
- Faruqee, H., and Laxton, D. (2000). *Life cycles, dynasties, saving: Implications for closed and small, open economies* (Working Paper No. WP/00/126). Washington, DC: International Monetary Fund.
- Fernald, J. (1999). Assessing the link between public capital and productivity. *American Economic Review*, 89(3), 619–638.
- Finn, M. (1993). Is all government capital productive? *Federal Reserve Bank of Richmond Economic Quarterly*, 79, 53–80.
- Fisher, I. (1930). *The Theory of Interest*. New York: Macmillan. (Reprinted by Augustus M. Kelley, Fairfield, NJ, 1986.)
- Flores de Frutos, R., Garcia-Diez, M., and Perez-Amaral, T. (1998). Public capital and economic growth: An analysis of the Spanish economy. *Applied Economics*, 30(8), 985–994.

- Ford, R., and Poret, P. (1991). Infrastructure and private-sector productivity. *OECD Economic Studies*, 17, 63–89.
- Fujita, M., Krugman, P. R., and Venables, A. (1999). *The Spatial Economy*. Cambridge, MA: MIT Press.
- Fuster, L., Imrohorglu, A., and Imrohorglu, S. (2005). *Personal security accounts and mandatory annuitization in a dynastic framework* (Working Paper No. 1405). Munchen: CESifo.
- Gardia, E. (1991). The dynamics of a small open economy in response to monetary, fiscal, and productivity shocks. *Journal of Monetary Economics*, 28, 411–434.
- Gavrilov, L., and Gavrilova, N. (1991). *The Biology of Life Span: A Quantitative Approach*. Chur, Switzerland: Harwood Academic.
- Ghali, K. (1998). Public investment and private capital formation in a vector error-correction model of growth. *Applied Economics*, 30, 837–844.
- Gomme, P., Rogerson, R., Rupert, P., and Wright, R. (2005). The business cycle and the life cycle. *NBER Macroeconomics Annual 2004*, 19, 415–461.
- Gompertz, B. (1825). On the nature of the function expressive of the law of human mortality. *Philosophical Transactions of the Royal Society of London, Series A*, 115, 513–580.
- Gramlich, E. (1994). Infrastructure investment: A review essay. *Journal of Economic Literature*, 32, 1176–1196.
- Gruber, J., and Wise, D. A. (1999). Introduction and summary. In J. Gruber and D. A. Wise (Eds.), *Social Security and Retirement Around the World* (pp. 1–35). Chicago, IL: University of Chicago Press.
- Gruber, J., and Wise, D. A. (2004). Introduction and summary. In J. Gruber and D. A. Wise (Eds.), *Social Security and Retirement Around the World, Micro-Estimation* (pp. 1–35). Chicago, IL: University of Chicago Press.
- Gruber, J., and Wise, D. A. (2005). (Working Paper No. 11290). Cambridge, MA: NBER.
- Gustman, A. L., and Steinmeier, T. L. (1986). A structural retirement model. *Econometrica*, 54, 555–584.
- Gwartney, J. D., Holcombe, R. G., and Lawson, R. A. (2006). Institutions and the impact of investment on growth. *Kyklos*, 59, 255–273.
- Haughwout, A. F. (2002). Public infrastructure investments, productivity and welfare in fixed geographic areas. *Journal of Public Economics*, 83, 405–428.
- Hausman, J. (1978). Specification tests in econometrics. *Econometrica*, 46, 1251–1271.
- Heckman, J. J. (1976). A life-cycle model of earnings, learning, and consumption.

- Journal of Political Economy*, 84, S11–S44.
- Heckman, J. J., Lochner, L., and Taber, C. (1998). Explaining rising wage inequality: Explorations with a dynamic general equilibrium model of labor earnings with heterogeneous agents. *Review of Economic Dynamics*, 1, 1–58.
- Heijdra, B. J., and Meijdam, L. (2002). Public investment and intergenerational distribution. *Journal of Economic Dynamics and Control*, 26, 707–735.
- Heijdra, B. J., and van der Ploeg, F. (2002). *Foundations of Modern Macroeconomics*. Oxford: Oxford University Press.
- Holtz-Eakin, D. (1994). Public-sector capital and the productivity puzzle. *Review of Economics and Statistics*, 76, 12–21.
- Holtz-Eakin, D., and Lovely, M. (1996). Scale economics, returns to variety, and the productivity of public infrastructure. *Regional Science and Urban Economics*, 26, 105–123.
- Holtz-Eakin, D., and Schwartz, A. (1995). Infrastructure in a structural model of economic growth. *Regional Science and Urban Economics*, 25, 131–151.
- Hooker, P. (1965). Benjamin Gompertz: 5 March 1779–14 July 1865. *Journal of the Institute of Actuaries*, 91, 203–212.
- Hulten, C. R. (1996). *Infrastructure capital and economic growth: How well you use it may be more important than how much you have* (Working Paper No. 5847). Cambridge, MA: NBER.
- Hulten, C. R., and Schwab, R. M. (1991). *Is there too little public capital? Infrastructure and economic growth*. (American Enterprise Institute Discussion Paper, February)
- Human Mortality Database. (2006). *Data by country: The Netherlands (life tables, total)*. University of California, Berkeley, CA. (Available from: www.mortality.org. (Data downloaded February 27, 2006))
- Hurd, M. D. (1990). Research on the elderly: Economic status, retirement, and consumption and saving. *Journal of Economic Literature*, 28(2), 565–637.
- Hurd, M. D. (1997). The economics of individual aging. In M. R. Rosenzweig and O. Stark (Eds.), *Handbook of Population and Family Economics* (pp. 891–966). Amsterdam: North-Holland.
- IMF. (2004). *The global demographic transition* (World Economic Outlook). Washington, DC: IMF.
- Inklaar, R. C., Timmer, M. P., and van Ark, B. (2006). *Mind the gap! International comparisons of productivity in services and goods production*. (paper presented at NBER/CRIW Summer Institute 2006, downloadable at

- <http://www.nber.org/confer/2006/si2006/prcr/vanark.pdf>
- Kalaitzidakis, P., and Kalavitis, S. (2005). Financing 'new' public investment and/or maintenance in public capital for long-run growth? The Canadian experience. *Economic Inquiry*, 43(3).
- Kalemni-Ozcan, S., Ryder, H. E., and Weil, D. N. (2000). Mortality decline, human capital investment and economic growth. *Journal of Development Economics*, 62(1), 1–23.
- Kalemni-Ozcan, S., and Weil, D. N. (2002). *Mortality change, the uncertainty effect, and retirement* (Working Paper No. 8742). Cambridge, MA: NBER. (latest version August 2004)
- Kamps, C. (2004). *The dynamic effects of public capital: VAR evidence for 22 OECD countries* (Working Paper No. 1224). Kiel: Kiel Institute of World Economics.
- Kamps, C. (2005). Is there a lack of public capital in the European Union? *EIB Papers Volume*, 10(1), 72–93.
- Kamps, C. (2006). New estimates of government net capital stocks for 22 OECD countries 1960–2001. *IMF Staff Papers*, forthcoming. (An earlier version is available as IMF Working Paper 04/67)
- Kelley, A. C., and Schmidt, R. M. (1995). Aggregate population and economic growth correlations: The role of the components of demographic change. *Demography*, 32(4), 543–555.
- Kemmerling, A., and Stephan, A. (2002). The contribution of local public infrastructure to private productivity and its political-economy: Evidence from a panel of large German cities. *Public Choice*, 113, 403–422.
- Kingston, G. H. (2000). Efficient timing of retirement. *Review of Economic Dynamics*, 3, 831–840.
- Kirkwood, T. B. (2001). Where will it all end? *The Lancet*, 357(9256), 576.
- Kreyszig, E. (1999). *Advanced Engineering Mathematics* (eight ed.). New York: John Wiley.
- Krugman, P. R. (1991). Increasing returns and economic geography. *Journal of Political Economy*, 99, 403–422.
- La Ferrara, E., and Marcellino, M. (2000). *TFP, costs, and public infrastructure: An equivocal relationship* (Working Paper No. 176). Milano: IGIER.
- Laxton, D., Isard, P., Faruquee, H., Prasad, E., and Turtelboom, B. (1998). *MULTIMOD Mark III, the core dynamic and steady-state models* (Occasional Paper No. 164). Washington, DC: IMF.
- Lazear, E. P. (1979). Why is there mandatory retirement? *Journal of Political Economy*,

- 87(6), 1261–1284.
- Lazear, E. P. (1999). Retirement from the labor force. In O. Ashenfelter and R. La-
yard (Eds.), *Handbook of Labor Economics* (Vol. I, pp. 305–355). Amsterdam:
North-Holland.
- Leamer, E. (1983). Let's take the con out of econometrics. *American Economic Review*,
73(3), 31–43.
- Lee, R. (2003). The demographic transition: Three centuries of fundamental change.
Journal of Economic Perspectives, 17(Fall), 167–190.
- Levine, R., and Renelt, D. (1992). A sensitivity analysis of cross-country growth
regressions. *American Economic Review*, 82, 942–963.
- Ligthart, J. E. (2002). Public capital and output growth in Portugal: An empirical
analysis. *European Review of Economics and Finance*, 1(2), 3–30.
- Lindbeck, A., and Persson, M. (2003). The gains from pension reforms. *Journal of
Economic Literature*, 49, 74–112.
- Linz, P. (1985). *Analytical and Numerical Methods for Volterra Equations*. Philadelphia:
SIAM.
- Lucas, R. E. (1988). On the mechanics of economic development. *Journal of Monetary
Economics*, 22(1), 3–42.
- Lumsdaine, R. L., and Mitchell, O. S. (1999). New developments in the economic
analysis of retirement. In O. Ashenfelter and D. Card (Eds.), *Handbook of Labor
Economics* (Vol. III, pp. 3261–3307). Amsterdam: North-Holland.
- Lumsdaine, R. L., Stock, J. H., and Wise, D. A. (1992). Three models of retirement:
Computational complexity versus predictive validity. In D. A. Wise (Ed.),
Topics in the Economics of Aging (pp. 21–60). Chicago, IL: University of Chicago
Press.
- Makeham, W. M. (1860). On the law of mortality and the construction of annuity
tables. *Assurance Magazine*, 8, 301–310.
- Mamatzakis, E. C. (1999a). *Public infrastructure, private input demand, and economic
performance of the Greek industry* (Working Paper No. 406). London: Queen
Mary & Westfield College.
- Mamatzakis, E. C. (1999b). Testing for long run relationship between infrastructure
and private capital productivity: A time series analysis for the Greek industry.
Applied Economics Letters, 6(4), 243–246.
- Matsuyama, K. (1987). Current account dynamics in a finite horizon model. *Journal
of International Economics*, 23, 299–313.
- Milbourne, R., Otto, G., and Voss, G. (2003). Public investment and economic

- growth. *Applied Economics*, 35(5), 527–540.
- Miller, J., and Tsoukis, C. (2001). On the optimality of public capital for long-run economic growth. *Applied Economics*, 33, 1117–1129.
- Mitchell, O. S., and Fields, G. S. (1984). The economics of retirement behavior. *Journal of Labor Economics*, 2(1), 84–105.
- Mitchell, O. S., Poterba, J. M., Warshawsky, M. J., and Brown, J. R. (1999). New evidence on the moneys worth of individual annuities. *American Economic Review*, 89(5), 1299–1318.
- Mittnik, S., and Neumann, T. (2001). Dynamic effects of public investment: Vector autoregressive evidence from six industrialized countries. *Empirical Economics*, 26, 429–446.
- Moreno, R., López-Bazo, E., and Artís, M. (2003). On the effectiveness of private and public capital. *Applied Economics*, 35(5), 727–740.
- Mulligan, C. B. (1999). Substitution over time: Another look at life cycle labor supply. *NBER Macroeconomics Annual 1998*, 13, 75–134.
- Munnell, A. H. (1990a). How does public infrastructure affect regional economic performance? *New England Economic Review*, 11–32.
- Munnell, A. H. (1990b). Why has productivity growth declined? Productivity and public investment. *New England Economic Review*, 2–22.
- Munnell, A. H. (1992). Policy watch. infrastructure investment and economic growth. *Journal of Economic Perspectives*, 6, 189–198.
- OECD. (1998). Work-force ageing in OECD countries. *OECD Employment Outlook*, 123–150.
- OECD. (2005). *Pensions at a Glance: Public Pensions across OECD Countries*. Paris: OECD.
- O'Mahony, M., and Vecchi, M. (2005). Is there an ICT impact on TFP? A heterogeneous dynamic panel approach. *Economica*, 72, 615–633.
- Oxley, H., and Martin, J. (1991). Controlling government spending and deficits: Trends in the 1980s and prospects for the 1990s. *OECD Economic Studies*, 17, 145–189.
- Pereira, A. M. (2000). Is all public capital created equal? *Review of Economics and Statistics*, 82(3), 513–518.
- Pereira, A. M. (2001). On the effects of public investment on private investment: What crowds in what? *Public Finance Review*, 29(1), 3–25.
- Pereira, A. M., and Andraz, J. M. (2003). On the impact of public investment on the performance of U.S. industries. *Public Finance Review*, 31(1), 66–90.

- Pereira, A. M., and Flores de Frutos, R. (1999). Public capital accumulation and private sector performance. *Journal of Urban Economics*, 46(2), 300–322.
- Pereira, A. M., and Roca-Sagales, O. (1999). Public capital formation and regional development in Spain. *Review of Development Economics*, 3(3), 281–294.
- Pereira, A. M., and Roca-Sagales, O. (2001). Infrastructures and private sector performance in Spain. *Journal of Policy Modelling*, 23(4), 371–384.
- Pereira, A. M., and Roca-Sagales, O. (2003). Spillover effects of public capital formation: Evidence from the Spanish regions. *Journal of Urban Economics*, 53(2), 238–256.
- Pesaran, M., Shin, Y., and Smith, R. P. (1999). Pooled mean group estimation of dynamic heterogeneous panels. *Journal of the American Statistical Association*, 94, 621–634.
- Phelps, E. S. (1961). The golden rule of accumulation: A fable for growthmen. *American Economic Review*, 51, 638–643.
- Phillips, P. (1998). Impulse response and forecast error variance asymptotics in nonstationary VARs. *Journal of Econometrics*, 83(1-2), 21–56.
- Pina, A. M., and St. Aubyn, M. (2005). Comparing macroeconomic returns on human and public capital: An empirical analysis of the Portuguese case (1960–2001). *Journal of Policy Modelling*, 27, 585–598.
- Pina, A. M., and St. Aubyn, M. (2006). How should we measure the return on public investment in a VAR? *Economics Bulletin*, 8(5), 1–4.
- Poterba, J. (2001). Demographic structure and asset returns. *Review of Economics and Statistics*, 83(4), 565–584.
- Preston, S. H., Heuveline, P., and Guillot, M. (2001). *Demography: Measuring and Modeling Population Processes*. Oxford: Blackwell Publishers.
- Pritchett, L. (1996). *Mind your P's and Q's* (Policy Research Paper No. 1660). Washington, DC: World Bank.
- Razin, A. (1972). Optimum investment in human capital. *Review of Economic Studies*, 39, 455–460.
- Royal Swedish Academy of Sciences. (2006). *Advanced information on Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel: Edmund Phelps's contribution to macroeconomics*. (Kungl. Vetenskapsakademien, Stockholm)
- Ruschinski, M., and Sturm, J. E. (2004). Foreign direct investment and growth: Panel data evidence for 22 OECD countries. In G. H. C. Dreger (Ed.), *Advances in Macroeconometric Modeling* (pp. 13–24). Baden-Baden: Nomos.
- Sala-i-Martin, X. (1997). I just ran two millions regressions. *American Economic*

- Review*, 87(2), 178–183.
- Sanchez-Robles, B. (1998). Infrastructure investment and growth: Some empirical evidence. *Contemporary Economic Policy*, 16, 98–108.
- Seung, C., and Kraybill, D. (2001). The effects of infrastructure investment: A two sector dynamic computable general equilibrium analysis for ohio. *International Regional Science Review*, 24(2), 261–281.
- Sheshinski, E. (1978). A model of social security and retirement decision. *Journal of Public Economics*, 10, 337–360.
- Shioji, E. (2001). Public capital and economic growth: A convergence approach. *Journal of Economic Growth*, 6, 205–227.
- Sims, C., Stock, J., and Watson, M. (1990). Inference in linear time series models with some unit roots. *Econometrica*, 58, 113–144.
- Stephan, A. (2000). Regional infrastructure policy and its impact on productivity: A comparison of Germany and France. *Applied Economics Quarterly*, 46, 327–356.
- Stephan, A. (2003). Assessing the contribution of public capital to private production: Evidence from the German manufacturing sector. *International Review of Applied Economics*, 17, 399–418.
- Stock, J. H., and Wise, D. A. (1990a). The pension inducement to retire: An option value analysis. In D. A. Wise (Ed.), *Issues in the Economics of Aging* (pp. 205–224). Chicago: University of Chicago Press.
- Stock, J. H., and Wise, D. A. (1990b). Pensions, the option value of work, and retirement. *Econometrica*, 58(5), 1151–1180.
- Sturm, J. E., and de Haan, J. (1995). Is public expenditure really productive? New evidence for the US and the Netherlands. *Economic Modelling*, 12, 60–72.
- Sturm, J. E., and de Haan, J. (2005). Determinants of long-term growth: New results applying robust estimation and extreme bounds analysis. *Empirical Economics*, 30(3), 597–617.
- Sturm, J. E., Jacobs, J. P., and Groote, P. G. (1999). Output effects of infrastructure investment in the Netherlands 1853–1913. *Journal of Macroeconomics*, 21(2), 355–380.
- Sturm, J. E., Kuper, G. H., and de Haan, J. (1998). Modelling government investment and economic growth on a macro level: A review. In S. Brakman, H. van Ees, and S. K. Kuipers (Eds.), *Market Behaviour and Macroeconomic Modelling*. London: MacMillan Press Ltd.
- Takayama, A. (1985). *Mathematical Economics* (2nd ed.). Cambridge: Cambridge University Press.

- Tamura, R. (1991). Income convergence in an endogenous growth model. *Journal of Political Economy*, 99, 522–540.
- Tatom, J. (1991). Public capital and private sector performance. *Federal Reserve Bank of St. Louis Review*, 73, 3–15.
- Temple, J. (2000). Growth regressions and what the textbooks don't tell you. *Bulletin of Economic Research*, 52(3), 181–205.
- Tinbergen, J. (1956). The optimum rate of saving. *Economic Journal*, 66(264), 603–609.
- Uzawa, H. (1974). Sur la théorie économique du capital collectif social. *Cahiers du Séminaire d'Économétrie*.
- Vijverberg, W., Vijverberg, C., and Gamble, J. (1997). Public capital and private production. *Review of Economics and Statistics*, 79(2), 267–278.
- Voss, G. (2002). Public and private investment in the United States and Canada. *Economic Modelling*, 19, 641–664.
- Weil, D. N. (1997). The economics of population aging. In M. R. Rosenzweig and O. Stark (Eds.), *Handbook of Population and Family Economics* (pp. 967–1014). Amsterdam: North-Holland.
- Weil, P. (1989). Overlapping families of infinite-lived agents. *Journal of Public Economics*, 38, 183–198.
- Weiss, Y. (1972). On the optimal lifetime pattern of labour supply. *Economic Journal*, 82(328), 1293–1315.
- World Bank. (1994). *Annual Report*. Washington DC: World Bank.
- Yaari, M. E. (1965). Uncertain lifetime, life insurance, and the theory of the consumer. *Review of Economic Studies*, 32, 137–150.
- Zellner, A. (1962). An efficient method of estimating seemingly unrelated regressions and test for aggregation bias. *Journal of the American Statistical Association*, 57, 348–368.

