Central lesson of modern (post 1956, not post 1990!) growth theory is near long run irrelevance of resource levels

Lucas, Graham Lecture, March 2007
Figures from Daron Acemoglu’s forthcoming book

Distribution of world income

Figure 1.1. Estimates of the distribution of countries according to PPP-adjusted GDP per capita in 1960, 1980 and 2000.
Figure 1.2. Estimates of the distribution of countries according to log GDP per capita (PPP-adjusted) in 1960, 1980 and 2000.
Figure 1.3. Estimates of the population-weighted distribution of countries according to log GDP per capita (PPP-adjusted) in 1960, 1980 and 2000.
Welfare:

**Figure 1.5.** The association between income per capita and consumption per capita in 2000.
Figure 1.6. The association between income per capita and life expectancy at birth in 2000.
Divergence?

**Figure 1.8.** The evolution of income per capita in the United States, United Kingdom, Spain, Singapore, Brazil, Guatemala, South Korea, Botswana, Nigeria and India, 1960-2000.
No catch-up?

Figure 1.9. Log GDP per worker in 2000 versus log GDP per worker in 1960, together with the 45° line.
History and regions
Figure 1.11. The evolution of average GDP per capita in Western Offshoots, Western Europe, Latin America, Asia and Africa, 1000-2000.
Non-convergence

Figure 1.13. Annual growth rate of GDP per worker between 1960 and 2000 versus log GDP per worker in 1960 for the entire world.
Conditional convergence

Figure 1.14. Annual growth rate of GDP per worker between 1960 and 2000 versus log GDP per worker in 1960 for core OECD countries.
Factors: Investment

Figure 1.15. The relationship between average growth of GDP per capita and average growth of investments to GDP ratio, 1960-2000.
Factors: Human capital
(1) Income vs. physical capital

(2) Income vs. labor

(3) Income vs. human capital (Kyriacou data)
FIGURE 4.1. Relationship between economic institutions, as measured by average expropriation risk 1985-1995, and GDP per capita.
Geography
Openness

Sachs and Warner
FIGURE 4.10. The relationship between mortality of potential European settlers and current economic institutions.