Kuznets Stresses Long-Run Aspects of Economic Growth

By JARED HAZLETON

Dr. Simon Kuznets delivered the fourth in a series of seven public lectures presented by the Economics Department before a large audience assembled in the Fondren Lecture Lounge on Thursday, February 7.

Dr. Kuznets spoke on the topic, “Pattern of U.S. Economic Growth.” He emphasized the importance of viewing economic growth in the long-run context, and pointed out the dangers involved in any attempt to predict the trend of economic growth from a short period analysis.

He presented an empirical comparison of the rates of growth in gross national product, population, labor force, and product per capita for the United States, United Kingdom, France, Germany, Sweden, U.S.S.R., and Japan. He concluded that the economic growth rate of the United States was about the same as that experienced by other major developed countries.

Over the period, 1840 to 1960, the rate of growth in product per capita for the U.S. was 1.56. The rate for comparable periods in other developed nations was as follows: United Kingdom 1.20, France 1.55, Germany 1.43, Sweden 2.47, U.S.S.R. 1.86, and Japan 2.81.

From this data, Dr. Kuznets concluded that since the United States leads all other developed nations in product per capita, and since the growth rate in product per capita in the United States has been on a par with the other developed nations, the United States must have had a product per capita exceeding these other developed nations in 1840 when she began her accelerated economic growth.

**SOMewhat** optimistically, Dr. Kuznets asserted that the growth rate experienced by the United States in the past decade, though lower than her long run growth rate, is not unique. There have been similar decades over the period since 1840 when the growth rate was the same or less than the rate the United States has experienced in the last decade. Over the long-run, according to Dr. Kuznets, the economy experiences “waves” of economic growth which are related to long-run movements in population, the labor force, and technology.

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**Dr. Simon Kuznets**

Discusses Growth Rates