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This is a path-breaking article with respect to the role of education in industrialization. But I disagree with your statement on P. 99 that a leader-follower relationship requires a specification in which the level rather than the change in human capital affects growth. Your findings are entirely consistent with the augmented Solow, in which the change in human capital drives growth. To see this just take the marginal product of physical capital in this model, and you will see that it is a function of human capital. This means that as human capital rises, MPK rises, and investment in K follows. This result occurs because human capital and physical capital are complementary in this model, which means that each type of capital has an external effect on the productivity of the other type of capital. See Breton, 2012, Were Mankiw, Romer, and Weil Right? Macroeconomic Dynamics