



BUSINESS
CYCLE
FORUM

KIELER KONJUNKTUR GESPRÄCHE



Stefan Kooths

WELCOMING ADDRESS AND INTRODUCTION

14/15 October 2019

Embassy of Canada, Berlin

#KielKG100

Spring 1970 (KKG#1) to Autumn 2019 (KKG#100)

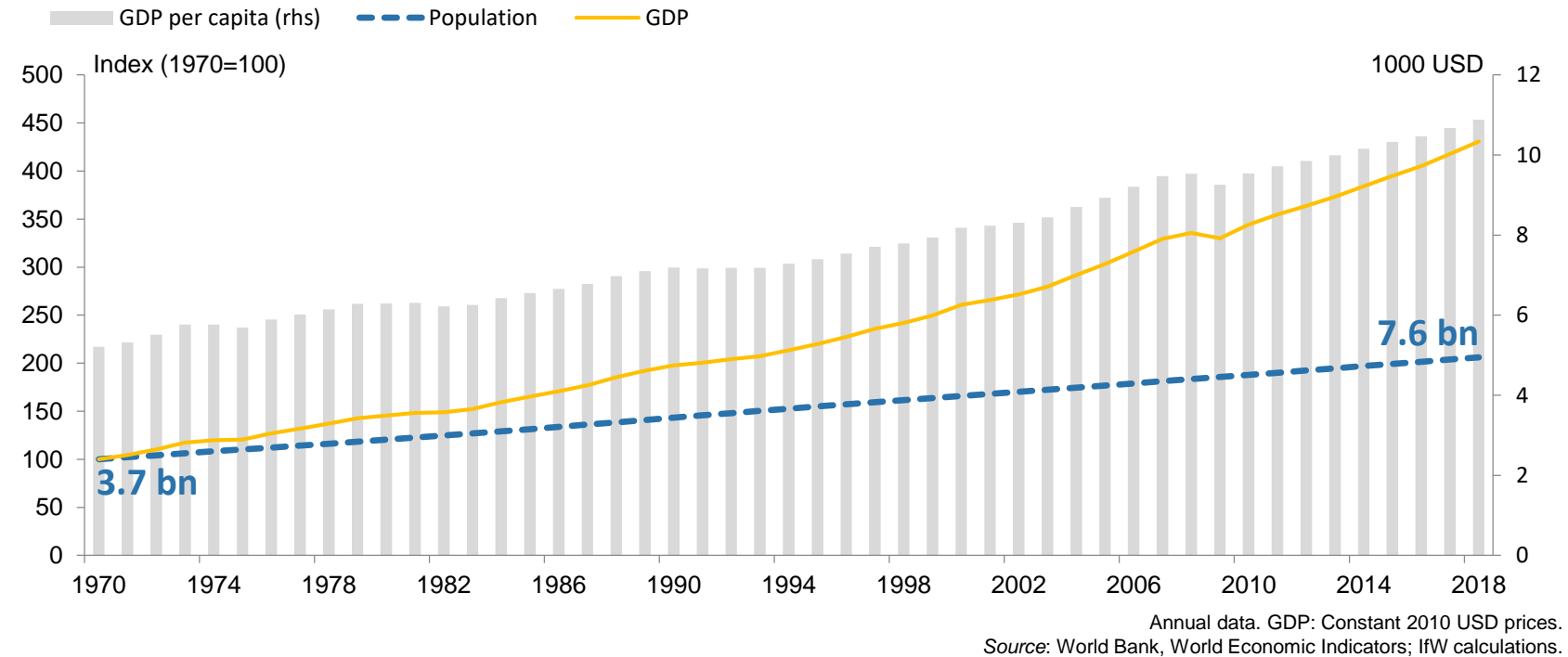
100 x KKG

=

50 years of global economic development

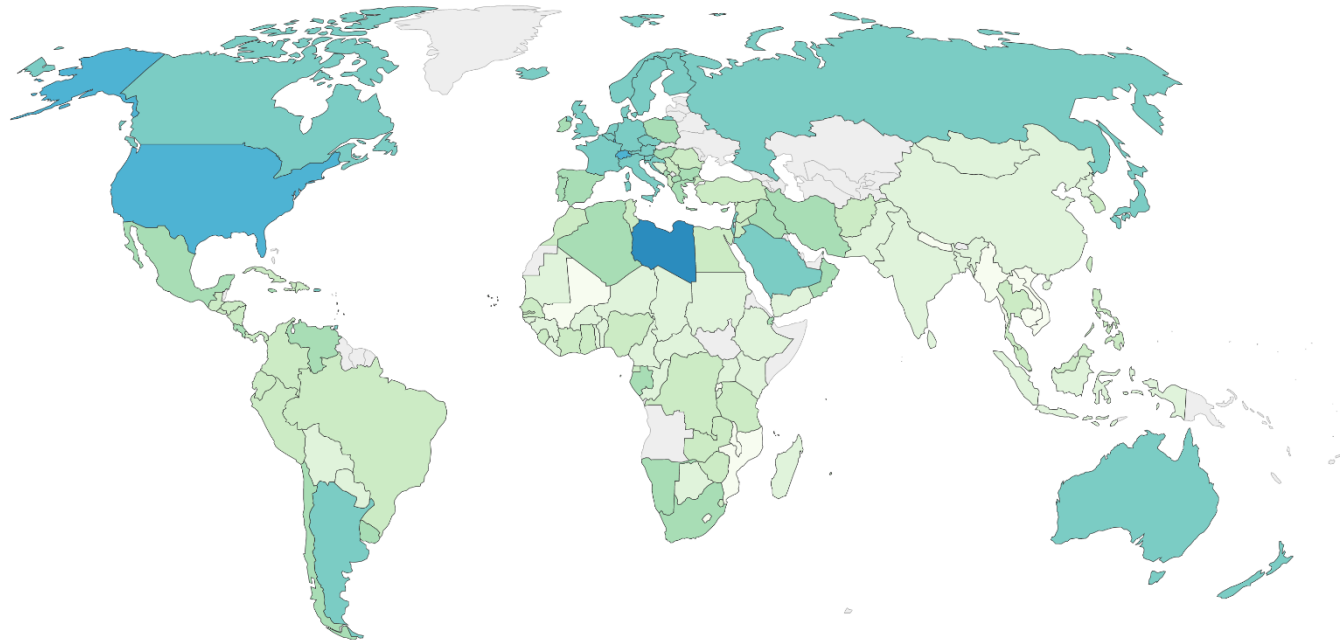
World economy: 5 decades of economic progress

Global population and economic activity



GDP per capita 1970

Source: Our World in Data

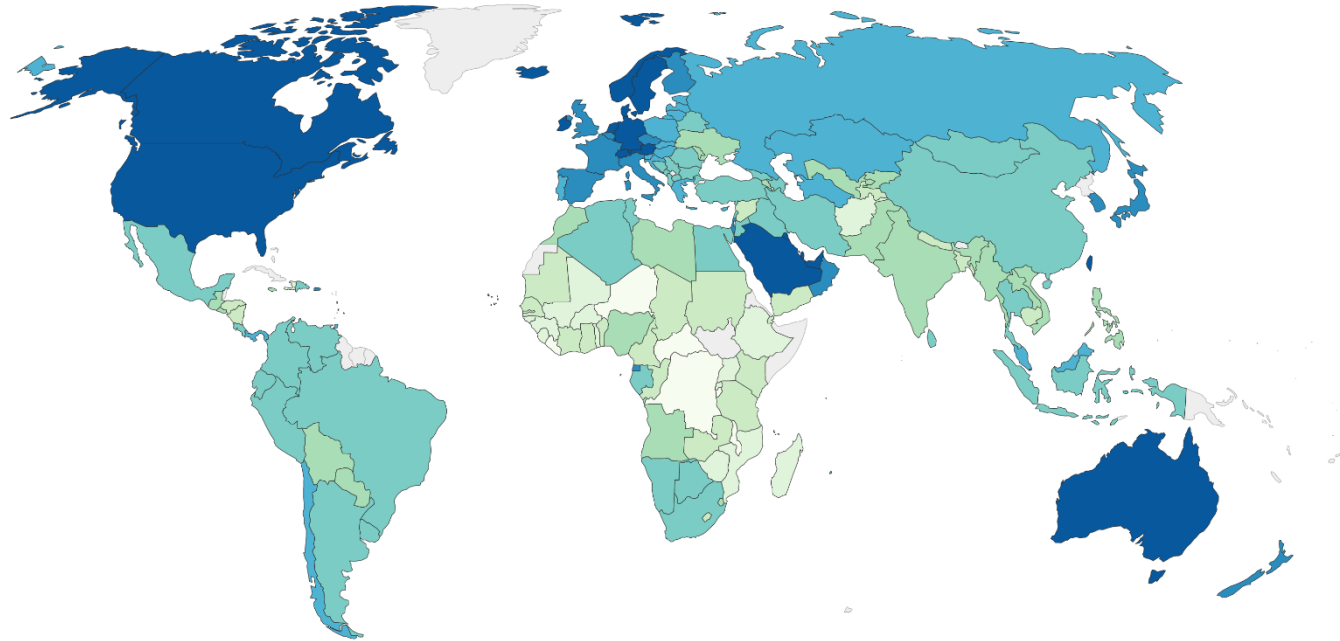


Source: Maddison Project Database (2018)

OurWorldInData.org/economic-growth • CC BY

GDP per capita 2016

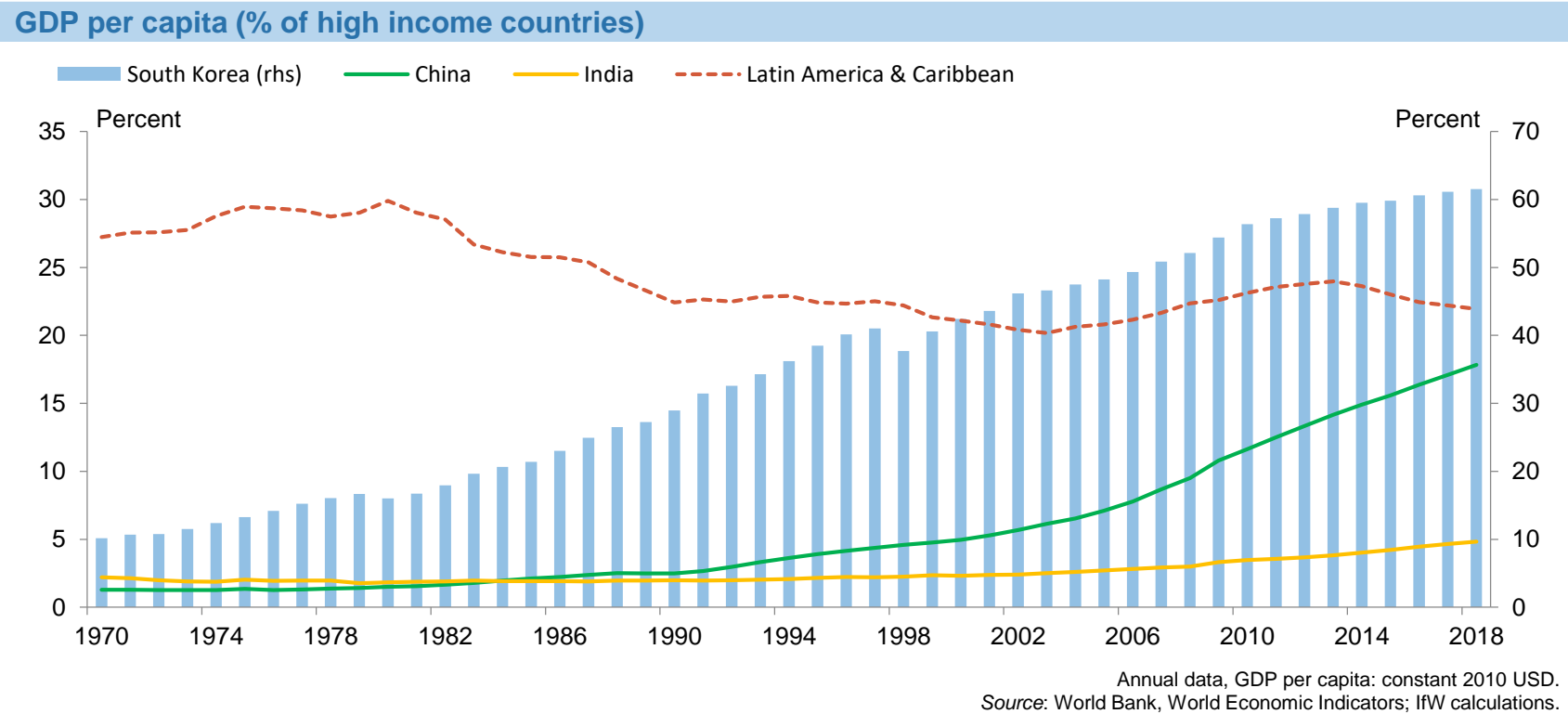
Source: Our World in Data



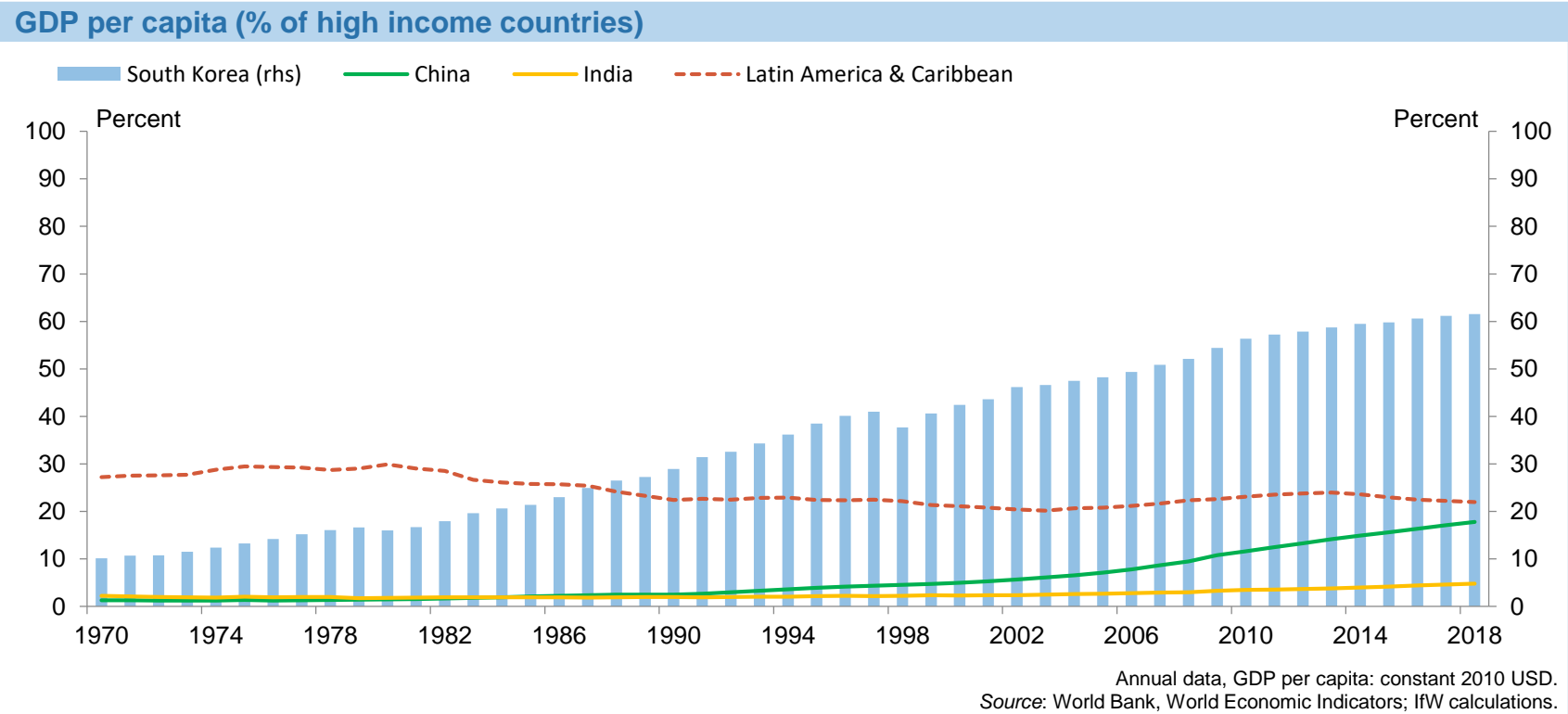
Source: Maddison Project Database (2018)

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Catching up is on its way ...

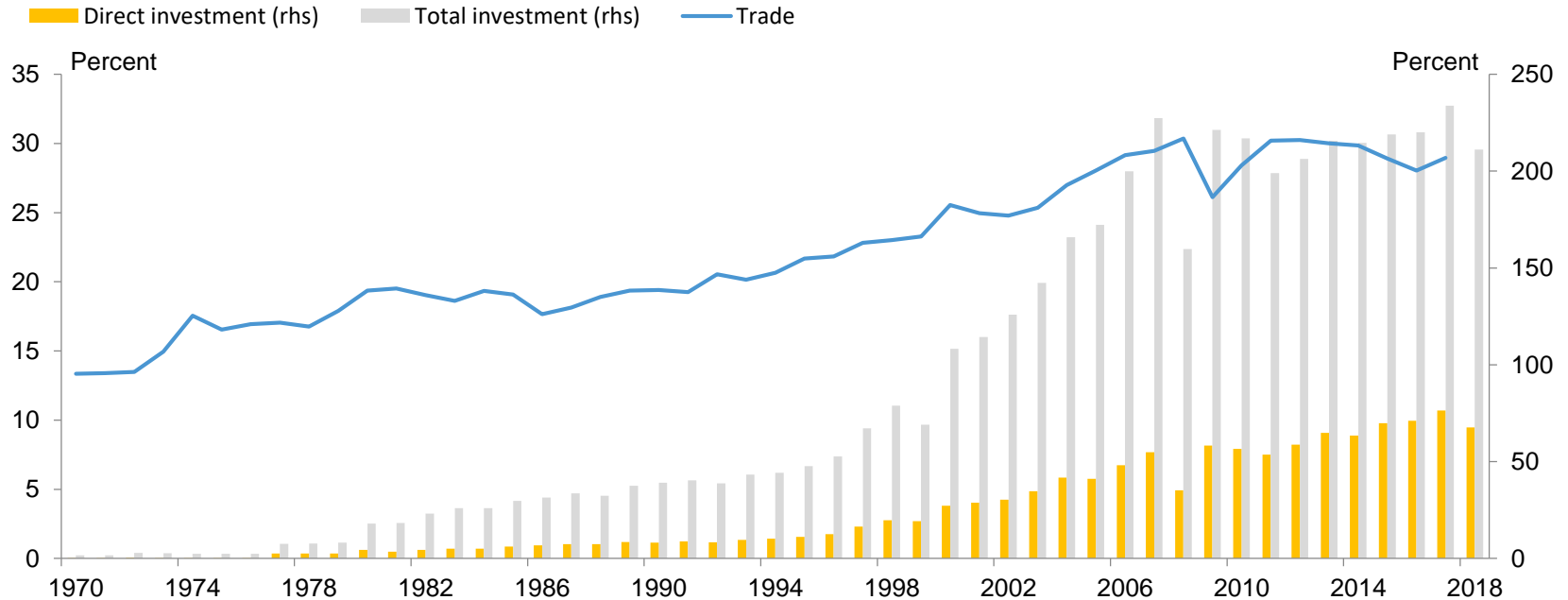


... but there is still a long way to go



Globalization at work

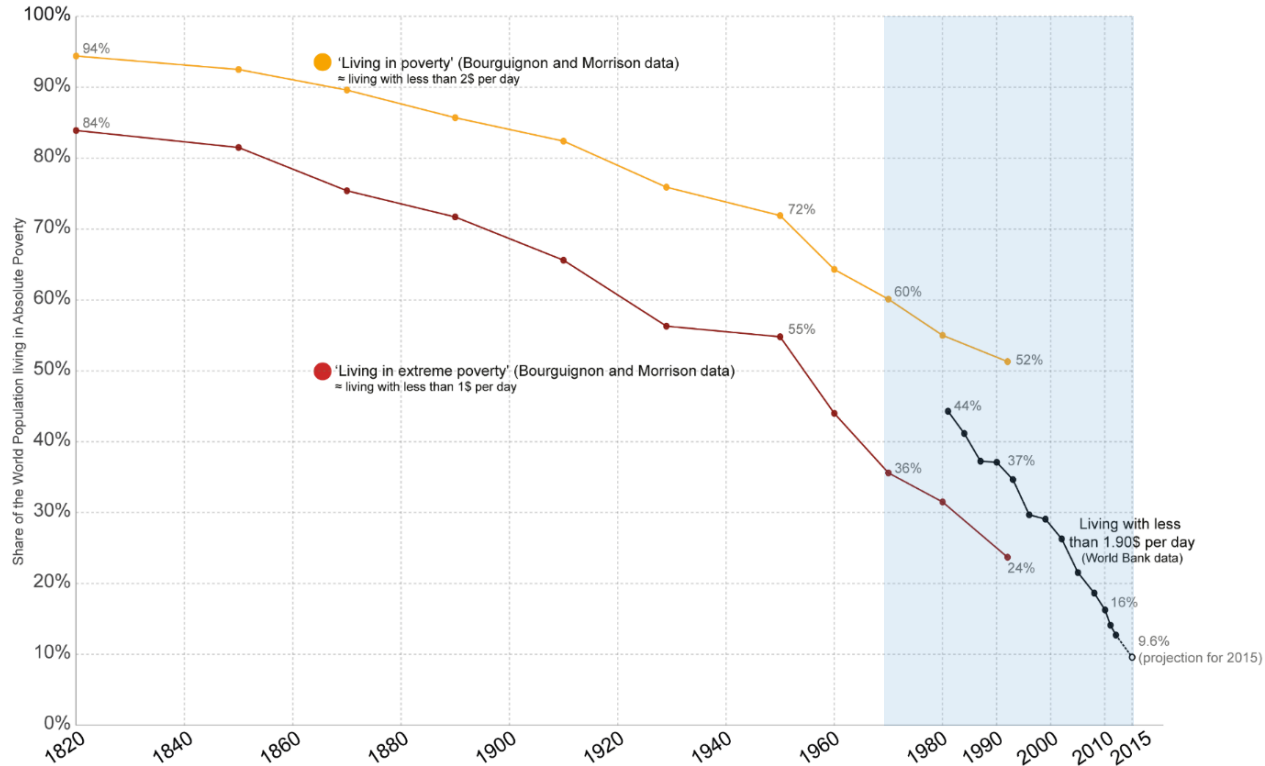
Global cross border trade flows and foreign investment positions



Annual data, percent of GDP; Trade: Average of exports and imports of goods and services; Investment: Average of assets and liabilities.
Source: World Bank, World Economic Indicators; IMF, International Investment Position; Ifw calculations.

Absolute poverty almost wiped out

Source: Our World in Data



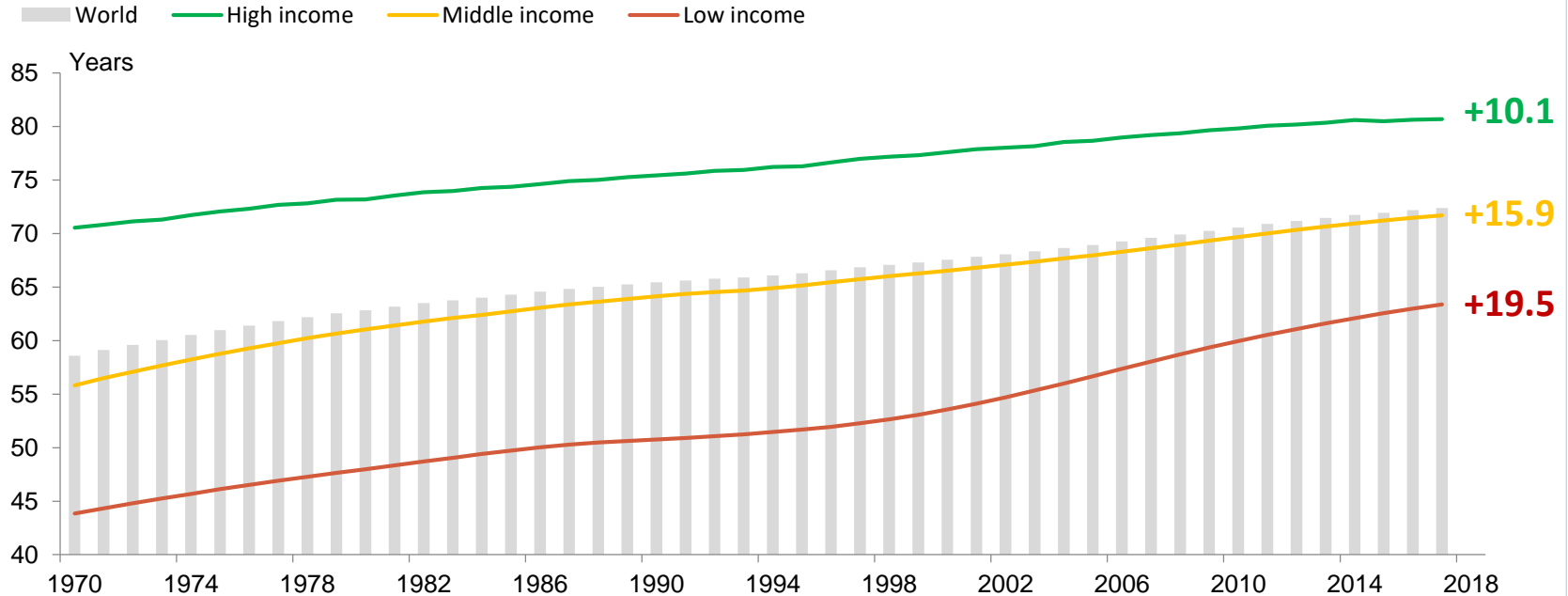
Data sources: 1820-1992 Bourguignon and Morrison (2002) - Inequality among World Citizens, In The American Economic Review; 1981-2015 World Bank (PovcalNet)

The interactive data visualisation is available at [OurWorldinData.org](https://ourworldindata.org). There you find the raw data and more visualisations on this topic.

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Living for longer

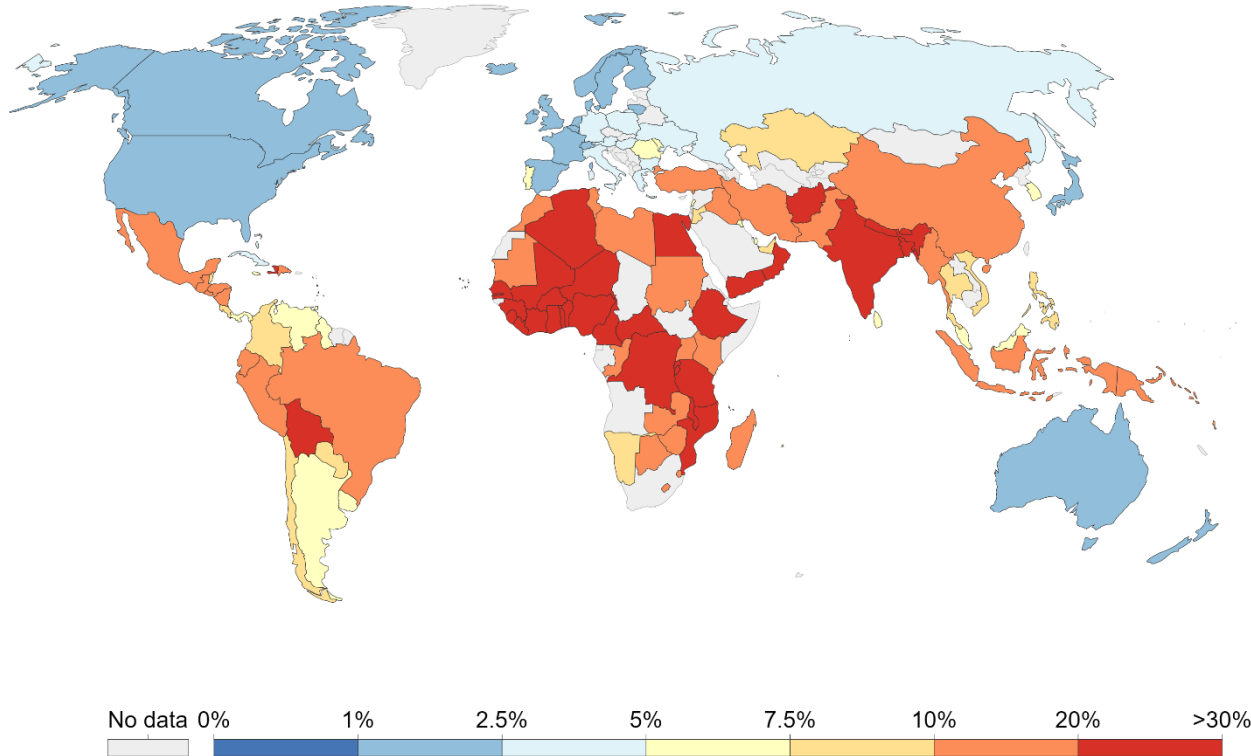
Life expectancy



Annual data. Life expectancy at birth, years, total population.
Source: World Bank, World Economic Indicators; Ifw calculations.

Child mortality 1970

Source: Our World in Data

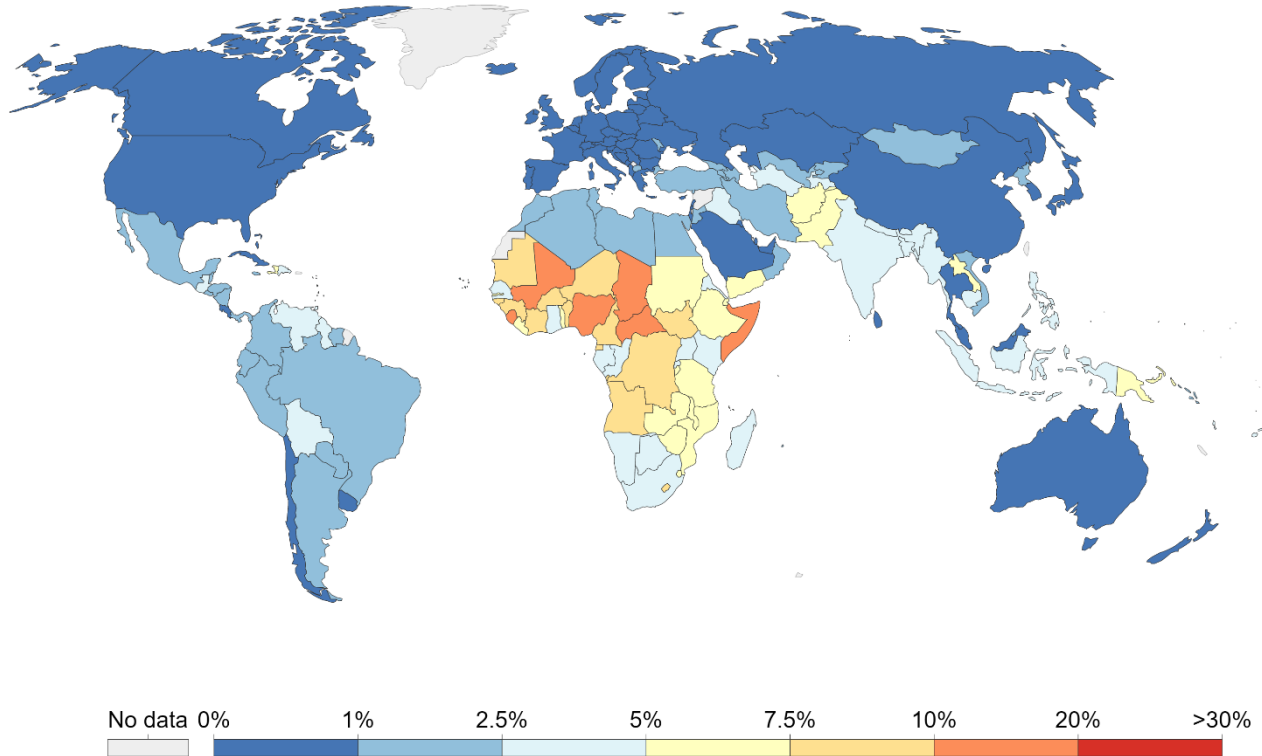


Source: UN Inter-agency Group for Child Mortality Estimation

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Child mortality 2017

Source: Our World in Data

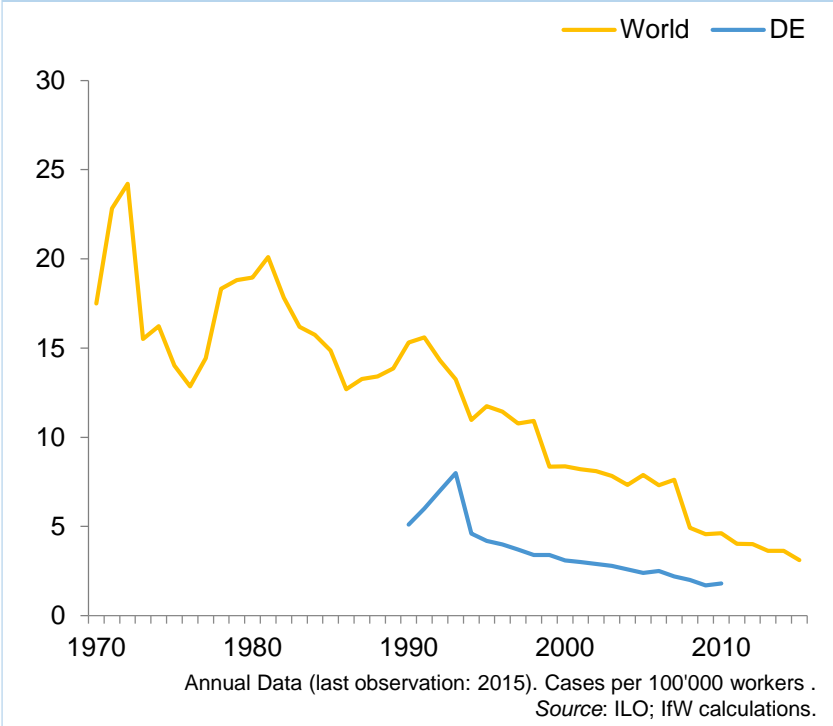


Source: UN Inter-agency Group for Child Mortality Estimation

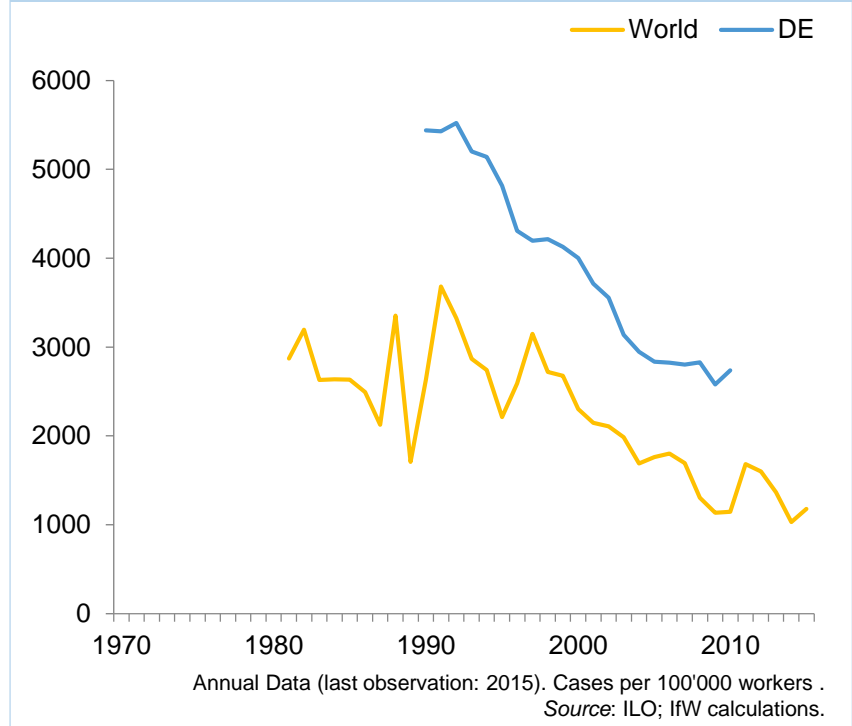
OurWorldInData.org/child-mortality • CC BY

Working conditions are improving

Fatal Occupational Injuries

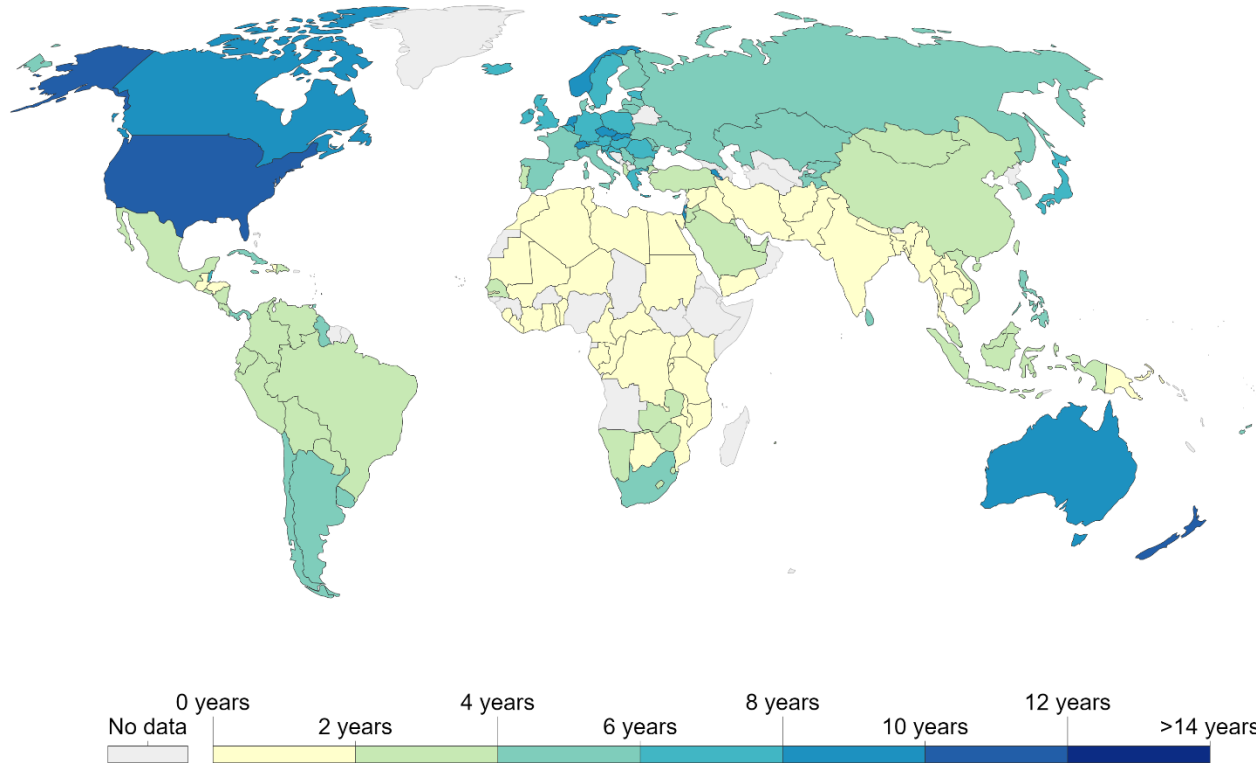


Non-fatal Occupational Injuries



Mean years of schooling 1970

Source: Our World in Data

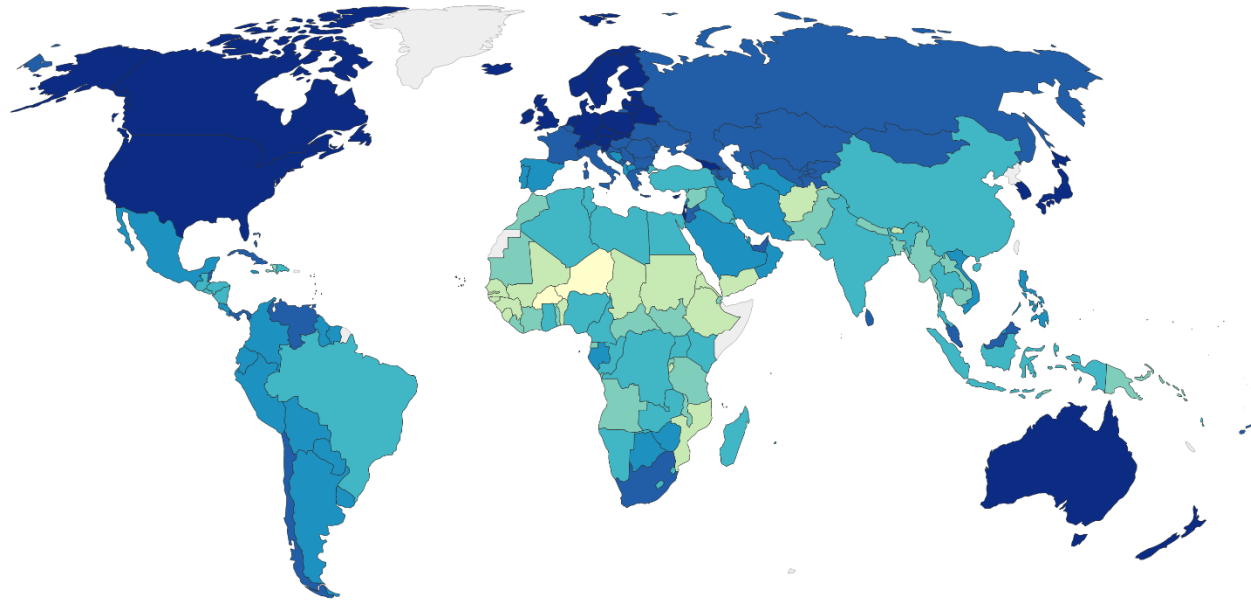


Source: Lee-Lee (2016); Barro-Lee (2018) and UNDP HDR (2018)

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Mean years of schooling 2017

Source: Our World in Data



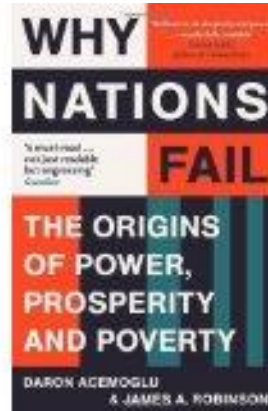
Source: Lee-Lee (2016); Barro-Lee (2018) and UNDP HDR (2018)

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The road towards prosperity

Thanks to or despite of economic policy making?

Policy impact (I)



Inclusive vs. **extractive** institutions
(getting the framework right)

Industrial policy (shaping structural change)

Imagining the future

Famous tech predictions

The worldwide demand for **motor vehicles** will not exceed one million – if for no other reason than there are not enough chauffeurs.

Gottlieb Daimler

There is not the slightest indication
that **nuclear energy** will ever be obtainable.

Albert Einstein, 1932

Nuclear powered vacuum cleaners
will probably be a reality within 10 years.

Alex Lewyt, 1955
President of the Lewyt Vacuum Cleaner Company

I think there is a world market for maybe five **computers**.

Thomas Watson, 1943
President of IBM

The world potential market for
copying machines is 5,000 at most.

*IBM, 1959
to the eventual founders of Xerox*

There is no reason anyone
would want a **computer** in their home.

Ken Olsen, 1977
Founder of Digital Equipment Corporation

Cellular phones will absolutely not replace local wire systems.

Marty Cooper, 1981
Inventor of the mobile phone

I predict the **Internet** will soon go spectacularly supernova
and in 1996 catastrophically collapse.

Robert Metcalfe, 1995
Founder of 3Com

We will never make a **32-bit** operating system.

Bill Gates, 1989

Apple is already dead.

Nathan Myhrvold, 1997
Microsoft CTO

There's just not that many **videos** I want to watch.

Steve Chen, 2005
CTO and co-founder of YouTube

Germany/EU:
Abandoning Ordnungspolitik?

Competition rules in
R&D-intensive markets?

The **Dos** and **Don'ts** of **industrial policy**

Chinese interventionism:
Fitter for the future?

Germany's energy revolution:
A role model for green industrial policy?

Support and sponsors



BMW
Niederlassung Berlin

Enjoy the 100th KKG



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