Economic Growth And Declining Social Welfare

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From the late 1970s until the early 2000s, welfare provisions from state and business enterprises gradually declined even as individuals began bearing ever-growing personal responsibility in social assistance. While welfare policy had, until the early 2000s, been used to increase economic efficiency, the many social problems that attended the Chinese model of development soon led Beijing to target welfare policy directly at social well-being. "A prize-winning performance: Olson's social theory of economic growth and decay is far superior to existing alternatives."–Aaron Wildavsky. "Olson has taken the implications of his earlier work, The Logic of Collective Action and used them in an extraordinarily innovative and impressive way. The result, quite apart from the specific predictions about when nations decline, is an important contribution to institutional economics—or equivalently, to the sociology of institutions. What makes the contribution especially important is its derivation from microeconomic foundations in the debate over sustainable economic growth, two critical issues are elasticity of substitution and technical change. Due to entropy increasing law in MEI system, the elasticity of substitution between any two resources must decline to zero and the efficiency improvement of resources from technical change is also limited. Therefore, substitution and technical change can not sustain economic ... Economic Growth and Declining Social Welfare. January 1981. Xenophon Zolotas. In particular, it uses the Theil Index and conditional convergence for measuring the relationship between growth, inequality, mobility and social welfare. The results show that there is a process of conditional convergence at the national level but divergence among some megaregions.