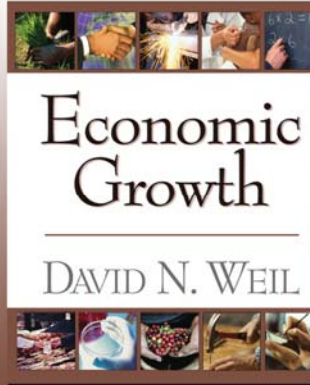


Chapter 11

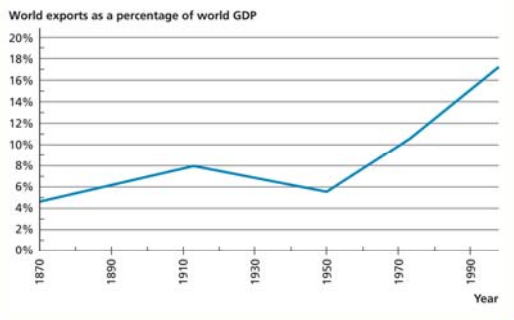
Growth in the Open Economy



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FIGURE 11.1
Growth of World Trade, 1870–1998

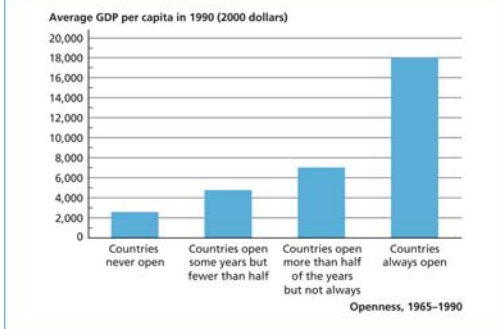


Source: Maddison (2001).

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11-2

FIGURE 11.2
Relationship Between Economic Openness and GDP per Capita

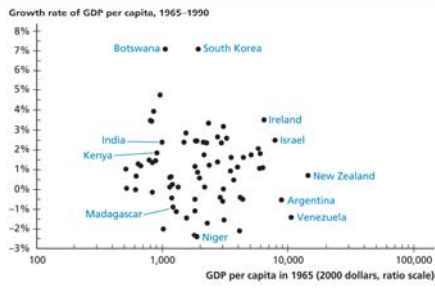


Source: Sachs and Warner (1995).

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11-3

FIGURE 11.3
Growth in Closed Economies

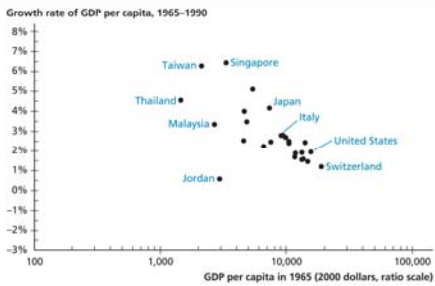


Source: Sachs and Warner (1995), Heston et al. (2002).

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11-4

FIGURE 11.4
Growth in Open Economies

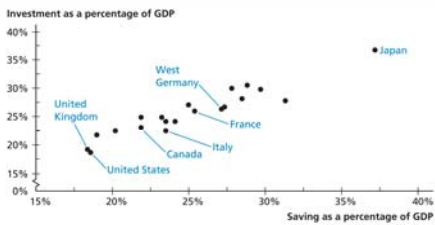


Source: Sachs and Warner (1995), Heston et al. (2002).

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11-5

FIGURE 11.5
Saving and Investment Rates of Industrialized Countries, 1960-1974

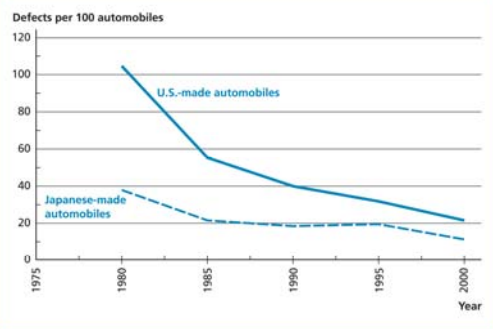


Source: Feldstein and Horioka (1980).

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11-6

FIGURE 11.6
Quality of U.S.- and Japanese-Made Automobiles



Source: "Are Today's Cars More Reliable?" *Consumer Reports* 66(4) (April 2001), p. 12.

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11-7

TABLE 11.1
Prices in Japan Before and After Opening to Trade

	Price Before Opening (U.S. cents per pound)	Price After Opening (U.S. cents per pound)
Tea	19.7	28.2
Sugar	22.7	11.2

Source: Huber (1971).

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