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PARADOX OF THE ABUNDANCE: HUMAN DEVELOPMENT AND EXTRACTIVISM AT GLOBAL LEVEL 2010-2015

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Abstract

Since the nineties some econometrics studies had realized about the relationship between the abundance of natural resources and human development, where some authors depending of the variables have categorized it as a curse while others as an opportunity. In this research project, analyze a balanced short panel of 142 countries for the period 2010-2015, taking as a dependent variable the Inequality-adjusted Human Development Index (IDHI), and as a proxy variable of extractivism the Total Natural Resources Rents as a percentage of the Gross Domestic Product (GDP), in addition to other control variables. The series was transformed into first differences, resulting in a significant relationship with negative slope among the variables of interest. Hence, there is a curse of abundance at global level.

Keywords: Paradox of the abundance, Human Development, Extractivism, Panel Data, Inequality.

JEL Classifications: C23, F63, L72, O15

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