THE CURRENT GLOBAL RECESSION

A Theoretical and Empirical Investigation into Developed and BRICS Economies
Dedicated to the memory of my father Ram Singh with reverence and affection.
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List of Abbreviations

DCIT Developing Countries in International Trade
E7 Seven Emerging Economies
EU European Union
EU15 EU Member States before 2004
EU10 EU Member States that Acceded in 2004
EVI Economic Vulnerability Index
GDP Gross Domestic Product
GNI Gross National Income
GNTB Group of Eminent Persons on Non-tariff Barriers
ICT Information and Communication Technology
Input MI Input Measure Index
LDC Least Developed Country
MID Middle-income Developing Country
NBER National Bureau of Economic Research
NTBs Non-tariff Barriers
Outcome MI Outcome Measure Index
PCA Principal Component Analysis
PPP Purchasing Power Parity
<table>
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<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>SIC</td>
<td>Structural and Institutional Context</td>
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<tr>
<td>TDI</td>
<td>Trade and Development Index</td>
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<tr>
<td>TDP</td>
<td>Trade and Development Performance</td>
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<tr>
<td>TPP</td>
<td>Trade Policies and Processes</td>
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<tr>
<td>TRAINS</td>
<td>Trade Analyses and Information System</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>QE</td>
<td>Quantitative Easing</td>
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Foreword

We are very lucky today. Our generations have an opportunity to see the implosion of socialism in the last decade of the twentieth century, and the great depression of capitalism in the first decade of twenty-first century. This study provides an overview of recent global economic performance and short-term prospects for the world economy and of some key global economic policy and development issues. One of its purposes is to serve as a point of reference for discussions on economic, social and related issues. The study discusses several policy directions to stimulate more direct job creation and investment in infrastructure, energy efficiency and sustainable energy supply, and food security; stronger financial safety nets; better coordination between fiscal and monetary policies; and the provision of sufficient support to developing countries in addressing the fallout from the crisis and the coordination of policy measures at the international level.

This book is designed for use in courses that focus on the affected countries from global economic depression (especially) in the United States and the EU, and Chinese responses to the global crisis. The study is based on theoretical and empirical investigation. It has designed to meet the requirements of the economic researchers as well university students who study the courses of economics, finance, banking and management at graduate and postgraduate levels, and various educational and research institutions and libraries, NGOs, Government Offices, etc. This study resulted from 10 years of teaching of development economics at
various universities like Universiti Utara Malaysia (UUM), Addis Ababa University, Gondar University and Debre Birhan University in Ethiopia as well as travel Kenya as a researcher. These experiences have helped shape and refine a book that is unique in approach, organization and pedagogy in the context of a major set of problems, such as capitalist crisis, development problems, poverty, inequality, unemployment, environmental decay and rural stagnation. It proceeds to evaluate the economic growth in historical context, and focuses on major economic trends and current international trade trends as well as cooperation among the developing countries.
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Suggestions for improvements in the book from fellow teachers and readers are most welcome.