THE CURRENT GLOBAL RECESSION

A Theoretical and Empirical Investigation into Developed and BRICS Economies

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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

SIC Structural and Institutional Context

TDI Trade and Development Index

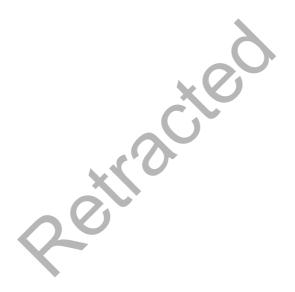
TDP Trade and Development Performance

TPP Trade Policies and Processes

TRAINS Trade Analyses and Information System

UNDP United Nations Development Programme

QE Quantitative Easing



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 effected 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.