Abstract

The trend of economic growth in Colombia shifted from acceleration (since the 30’s to the 60’s) to deceleration (from the 70’s to the 90’s). This reversal of the Colombian economic dynamics is related to the tendency reduction of productivity gains. To obtain this result it is proposed that the public sector acts as a drag on economic growth (when it should be an engine). The effect of public diseconomies on accumulation efficiency is analyzed with the growth decomposition model of Hall (1988). The reduction of the path of productivity growth is explained by the shift from the industrialist development model to an openness one.

Keywords

productivity, public diseconomies, economic growth, productive transformation, industrialization, drug trafficking and violence.