

DETERMINANTS OF TOTAL PRODUCTIVITY OF FACTORS IN SOUTH AMERICA

Andrés M. Gutiérrez Villca

ABSTRACT

This study identifies the determinants of the Total Productivity of Factors (PTF) of South América using panel data econometric techniques with the approximation of various economic, institutional, technological and social indicators. Among the main results are the strong contribution to the PTF of the terms of trade, savings, external opening, real wages, foreign investment. As for human capital, they have positive effects, but of reduced magnitude, expressing themselves in the low education and training of workers. The institutional and technological environments report positive effects of reduced magnitude. The volatility of the terms of trade, informality, inequality, fertility, report negative effects of high magnitudes. By country, it is identified that the economies that increased their endowments of human capital and strengthening the institutional environment, increased their productivity efficiently, on the contrary, the economies that did not show improvements in these areas were lagging their productivity. In a historical retrospection from 1976 to 2015, the contribution of the PTF to regional economic growth was preeminently marked by the behavior of the terms of trade.

Keywords: Total Factor Productivity, Economic Growth.

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