

Figure 2: GDP per worker for 113 Countries

$Y/L$

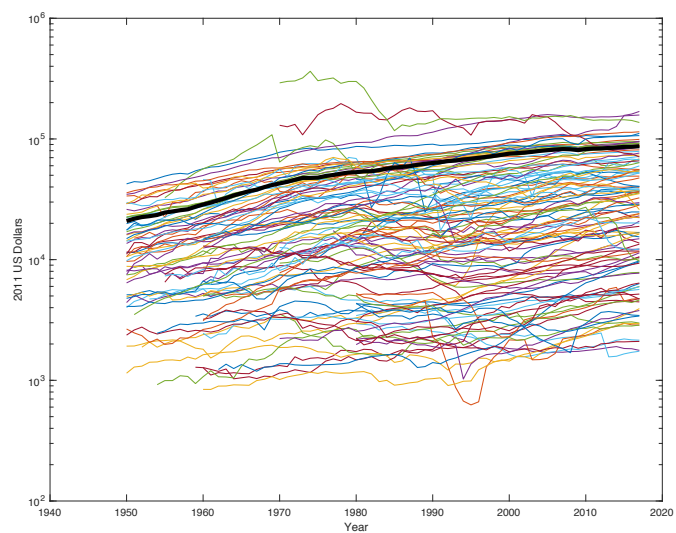
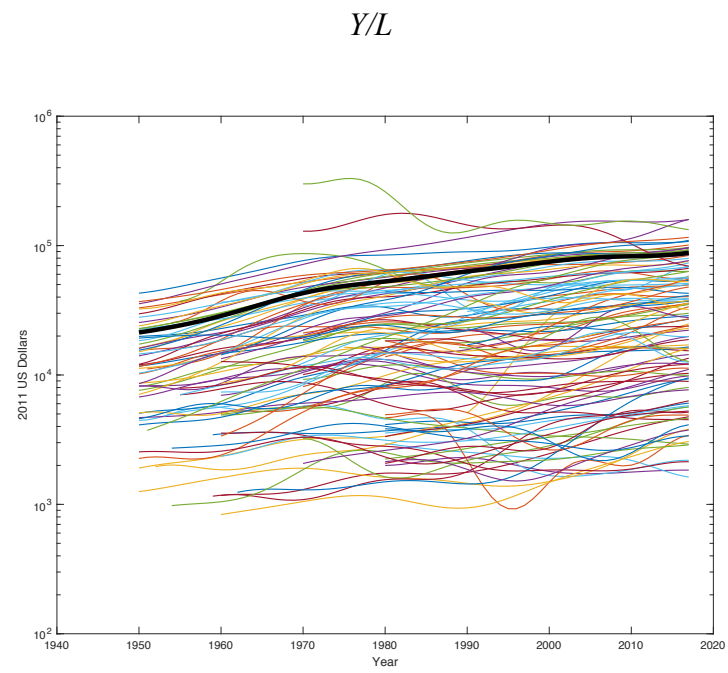
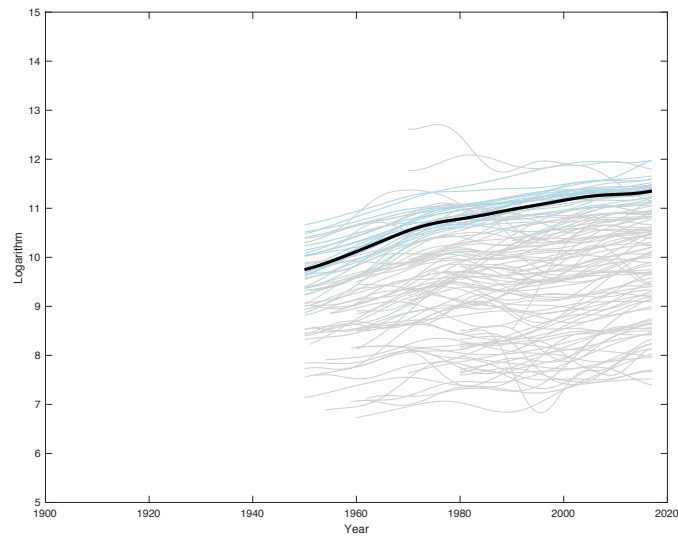


Figure 4: **GDP per worker for 113 countries: Trend components**



**Figure 6: In-sample estimates of the global common factor  $f_t$  and its local growth rate  $m_t$**

(a) Trend components of  $y_{i,t}$  for OECD countries (blue), and non-OECD countries (grey) and posterior median of  $f_t$  (Black)



(b) Posterior median of  $m_t$  and 67% posterior error bands

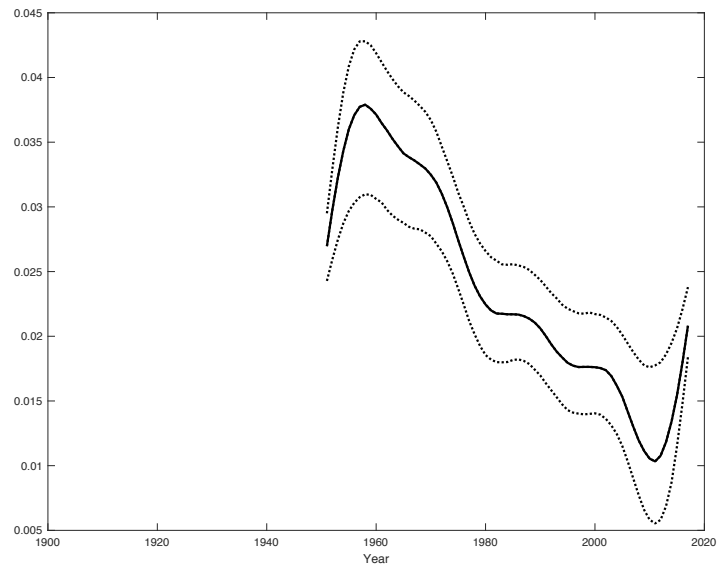
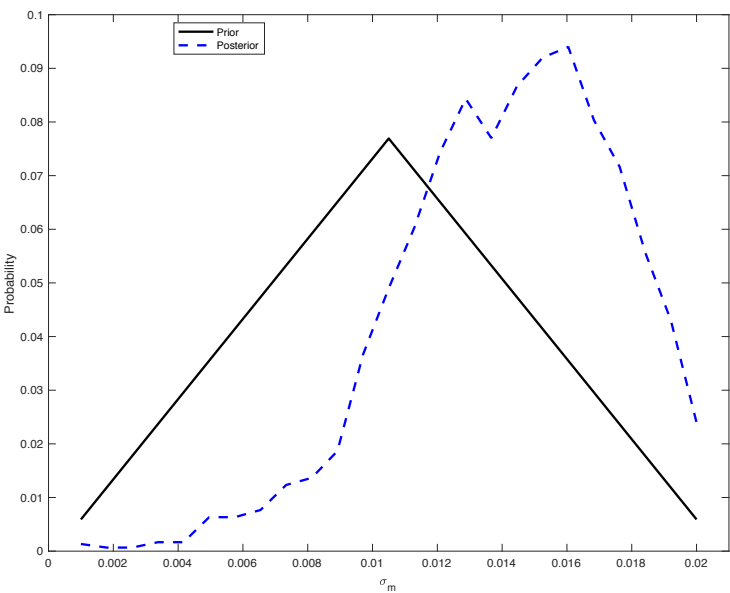
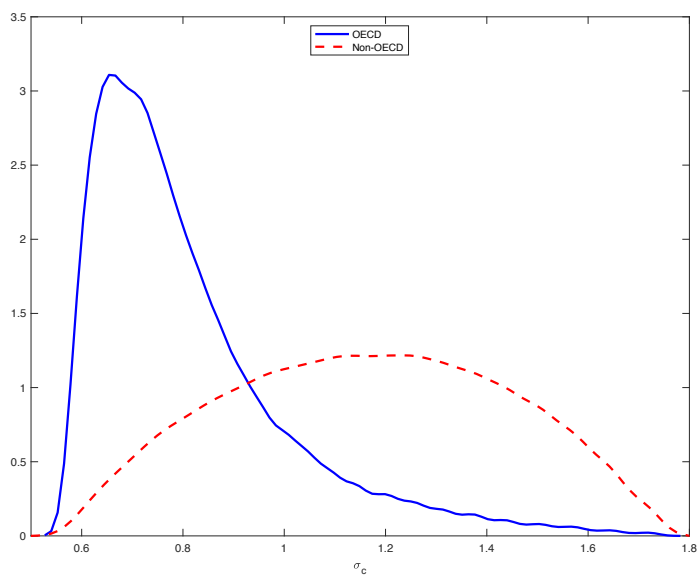


Figure 7. Prior and posterior for  $\sigma_m$

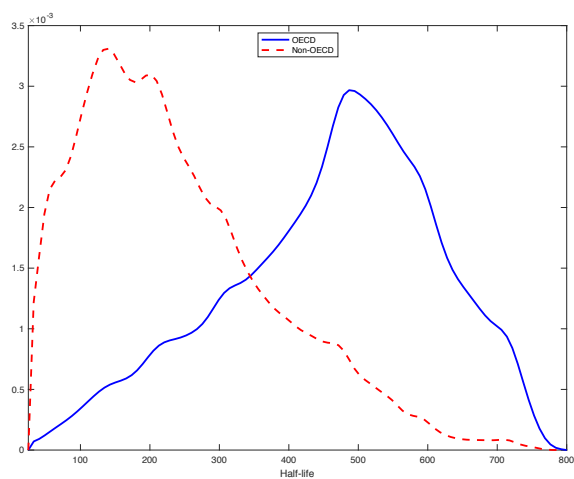


**Figure 8. Posterior distribution of the long-run standard deviation  $\sigma_c$  and half-life  $h$  of  $c_{i,t}$  for OECD and non-OECD countries**

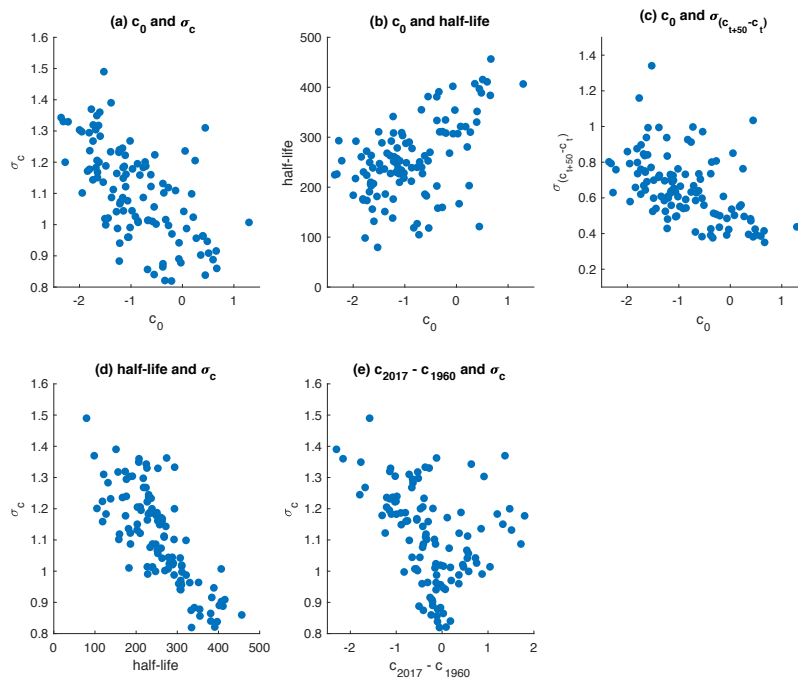
(a)  $\sigma_c$



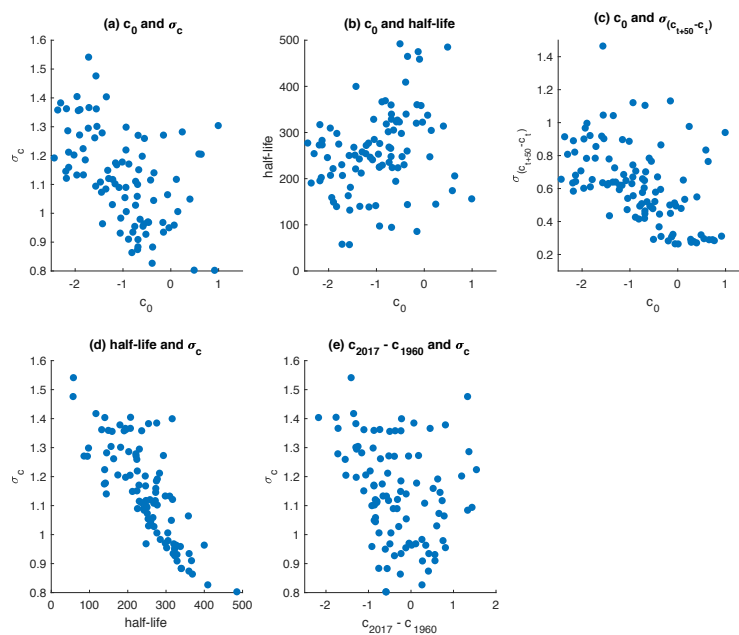
(b)  $h$



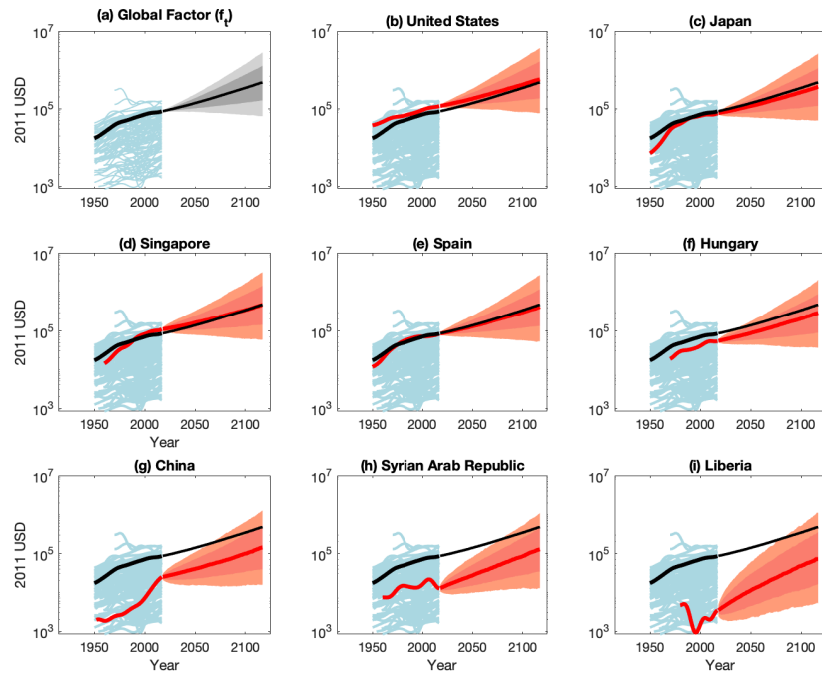
**Figure 9: Cross-country relation between initial conditions, half-life, variability and growth**



Y/L

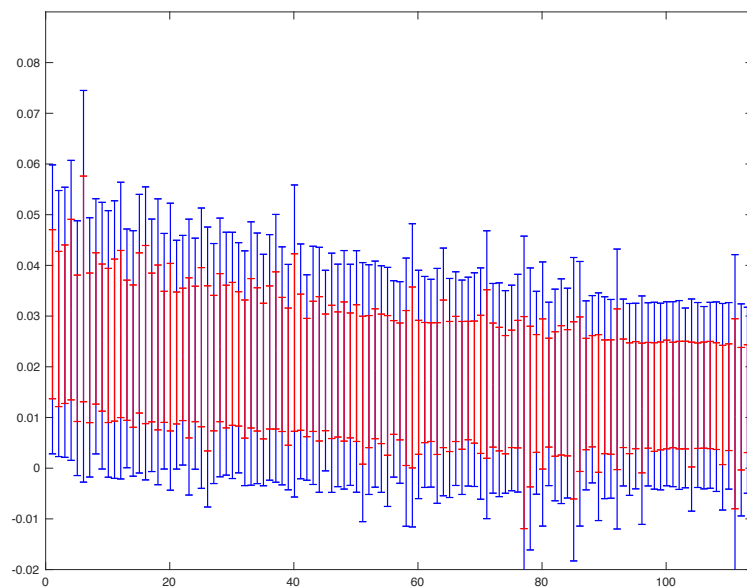


**Figure 10: 67% and 90% prediction intervals for per-capita GDP  
Global factor and selected countries**

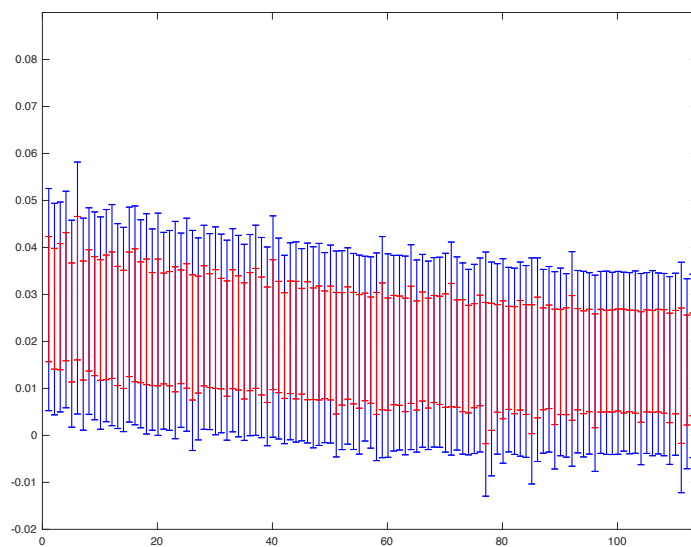


**Figure 11: 67% and 90% prediction intervals for average growth rates**  
**Countries ordered from poorest to richest at end sample**

(a) Average growth rate over next 50 years



(b) Average growth rate over next 100 years





**Table 3: Posterior percentiles for selected parameters,  $f_t$  and  $c_t$  processes**

Parameter	Percentiles of Posterior				
	0.05	0.17	0.50	0.84	0.95
(a) Parameters for $f_t$ process (in percentage points)					
$\sigma_{\Delta a}$	0.96	1.22	1.78	2.71	3.81
$\mu_m$	0.22	1.13	2.43	3.72	4.7
$\sigma_m$	0.81	1.13	1.45	1.76	1.92
$h_m$	50	58	83	121	142
(b) Parameters for $c$ process					
$\mu_c$	-0.95	-0.82	-0.62	-0.45	-0.32

**Table 4: Posterior percentiles for selected parameters,  $c_{i,t}$  process**

	Half-life				$\sigma_c$				$\sigma_{(c_{t+50}-c_t)}$		
	Percentiles of Posterior										
	0.17	0.50	0.84		0.17	0.50	0.84		0.17	0.50	0.84
(a) Pooled across countries											
All countries	119	252	479		0.755	1.073	1.415		0.35	0.609	0.908
OECD	302	481	607		0.645	0.758	0.972		0.245	0.308	0.454
Non-OECD	105	211	379		0.869	1.165	1.456		0.484	0.683	0.965
(b) Selected countries											
China	116	185	291		1.09	1.29	1.49		0.68	0.8	0.95
Singapore	189	311	462		0.75	0.92	1.16		0.39	0.48	0.59
Madagascar	128	201	315		1.1	1.28	1.47		0.64	0.76	0.92
Belgium	407	529	641		0.62	0.7	0.84		0.22	0.27	0.33
Russia	57	115	226		0.85	1.13	1.44		0.66	0.83	1.07
United States	428	528	642		0.65	0.74	0.86		0.24	0.28	0.33
Australia	419	523	637		0.65	0.74	0.88		0.24	0.28	0.33
Liberia	39	52	75		1.42	1.56	1.66		1.33	1.51	1.7

**Table 5: Percentiles of predictive distributions for average growth over next 50 and 100 years**

**Y/L:** (2017-Employment weighted average of country growth rates)

	Percentiles: 50 year horizon				Percentiles: 100 year horizon		
	<b>0.17</b>	<b>0.50</b>	<b>0.84</b>		<b>0.17</b>	<b>0.50</b>	<b>0.84</b>
Global Factor ( $f_t$ )	0.58	1.56	2.48		0.65	1.72	2.7
<i>Global aggregates</i>							
All countries	0.65	1.72	2.77		0.75	1.85	2.96
OECD	0.46	1.46	2.41		0.54	1.64	2.64
Non-OECD	0.67	1.77	2.87		0.79	1.91	3.02