

ABSTRACT

Abstract of thesis entitled Natural Resource Abundance and Economic Growth-An Empirical Test with Chinese Provincial Panel Data, Submitted by Li Qi (M-A5-6811-5) for the degree of Master of Social Science in Economics at the University of Macau in September 2007.

"Resource Curse" is a classical hypothesis in economics. However, we still need evidence to justify whether this proposition appears in other country. This thesis will test this hypothesis using evidence with the provincial level data from China. Our econometric results indicate that this proposition is will justified in many areas of China. That is natural resources abundance in many provinces in China, indeed restricts their economic performance. Abundance of natural resources hinders economic growth mainly though transforming of capital stock. A similar effect also occurs to labor force but is not as significant as the former. This result demonstrates that the developed exploitation of resources is the major cause of restrict economic growth.