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Sommario/riassunto	The paper provides an alternative explanation for the ""resource curse"" based on the income effect resulting from high government current spending in resource rich economies. Using a simple life cycle

framework, we show that private investment in the non-resource sector is adversely affected if private agents expect extra government current spending financed through resource sector revenues in the future. This income channel of the resource curse is stronger for countries with lower degrees of openness and forward altruism. We empirically validate these findings by estimating non-hydrocarbon
