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Nota di contenuto	Contents; I. Introduction; Tables; 1. Composition of Government Expenditures in Oil Exporting; II. A Simple Model; A. Closed Economy; Figures; 1. Non-Hydrocarbon GDP Growth and Government Current Spending; 2. Transition Paths; B. Openness and Resource Curse; C. Altruism and Resource Curse; III. Empirical Investigation; A. Empirical Methodology; 3. Resource Curse Channels; B. Results; 2. Growth Regressions; IV. Conclusion; 3. Growth Regressions using Restrictions on Trade and Capital Flows; References; Appendices; A. Data; Appendix Tables; 4. Data Description; 5. Descriptive Statistics 6. List of Countries Included in the Sample B. Testing for Whether a Higher Degree of Altruism Dampens the Adverse Effect of Government Current Spending on Non-Hydrocarbon GDP Growth; 7. Growth Regressions using Regional Dummies; C. Regional integration of two large open economies
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 sector growth regressions using a panel of 25 oil-exporting countries over 1992-2005.
