

**Dear colleagues,**

You are kindly invited to attend the NBB Research Seminar on **Wednesday, October 26<sup>th</sup>, at 2.30pm**

by

**Thomas Philippon** (Stern School of Business, New York University)

on

## **Additive Growth**

### **Abstract**

*Growth theory is based on the assumption of exponential total factor productivity (TFP) growth. Across countries and time periods I find that TFP growth is actually linear. The additive growth model, unlike the exponential one, provides useful long-term forecasts for TFP. For the distant past the model suggests piecewise linear evolutions where the size of TFP increments changes in the late 1600's, the early 1800's, and around 1930. For the distant future the model predicts ever increasing increments in standards of living but with falling real interest rates and growth rates that converge to zero. The model suggests stable TFP growth in the US, but a TFP slowdown in the Euro area since the late 1990s.*

([Thomas Philippon - Additive Growth](#))

The seminar will take place on **Wednesday, October 26<sup>th</sup>** from **14:30** until **16:00** in the Auditorium of the National Bank of Belgium, entrance: rue Montagne aux Herbes potagères 61, Brussels.

Please reply by email to [nbb.seminars@nbb.be](mailto:nbb.seminars@nbb.be) if you wish to participate to this seminar. **Due to security measures it is necessary that you register by Monday October 24 (cob)**. Without registration, you will not be allowed in the seminar room.

The seminar will be followed by a drink. You will receive a nominative badge at the entrance. We recommend that you arrive at least 10 minutes before the start of the seminar.

In case you want to access the NBB Parking (rue Montagne aux Herbes potagères 41), please also provide us with your name and the license plate of your car.

Kind regards,  
Gert Bijmens, Olivier De Jonghe, and Raf Wouters