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Centre d'étude des niveaux de vie*

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Notification of the On-line Availability of the Spring 2020 Issue of the International Productivity Monitor

On June 16, the Ottawa-based Centre for the Study of Living Standards (CSLS) released the Spring 2020 issue of the *International Productivity Monitor*. Key findings from the articles are highlighted below.

Conal Smith from Victoria University of Wellington develops new estimates of the impact of trust on TFP. For example, in high-trust New Zealand, moving to the average trust level reduces TFP by 6 percentage points, from 87 per cent of the US TFP level in 2016 to 81 per cent.

Christian Osterhold and **Ana Fontoura Gouveia** from the Nova School of Business and Economics use firm-level data for Portugal to show that promoting the restructuring of the most productive zombie firms, and the exit of the least productive, boosts productivity through a more efficient allocation of resources.

Robert J. Gordon from Northwestern University and **Hassan Sayed** from Princeton University show that after 2005 both the United States and Europe experienced slower productivity growth, suggesting that the benefits of the ICT revolution were short-lived and have not ushered in a new long-term era of faster productivity growth.

Martin Neil Baily, **Barry P. Bosworth** and **Siddhi Doshi** from the Brookings Institution provide show that both Japan and Germany were catching up to the US productivity level in the period up to the mid-1990s. But the acceleration of US productivity growth after 1995, driven by the ICT revolution, reaffirmed the country's role of productivity leader and saw the gap between the United States and Germany and Japan widen.

John Fernald from INSEAD and the Federal Reserve Bank of San Francisco and **Robert Inklaar** from the University of Groningen argue that TFP growth in Europe

slowed before the Global Financial Crisis in 2008-09, suggesting the productivity slowdown has structural as opposed to cyclical roots. although they recognize that a strong downturn in the economy can depress productivity growth through a number of channels.

Don Drummond from Queen's University and the Centre for the Study of Living Standards provides a critical assessment of the World Bank publication *Productivity Revisited: Shifting Paradigms in Analysis and Policy*.

Mary O'Mahony from King's College London assesses the NBER volume *Productivity in Higher Education* from the perspective of the accountability agenda in higher education.

To read all articles in this issue fully, please visit our IPM webpage at <http://www.csls.ca/ipm/ipm38.asp> or see below.

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The **Centre for the Study of Living Standards (CSLS)** is a national, independent, Ottawa-based not-for-profit research organization. Its primary objective is to contribute to a better understanding of trends and determinants of productivity, living standards, and economic wellbeing in Canada through research.