

This book, which was written by Angus Maddison as a contribution to the Development Centre's research programme on financial systems, resource allocation and growth, represents an extension and updating of his *The World Economy in the 20th Century*, published by the Centre in 1989.

A major aspect of this work is a data base of exceptional interest for economic historians who will be able to use it to describe virtually the entire world economy over the period from 1820 to 1992. It is thus the first book systematically to document convergence and divergence trends in the standards of living in different economies. These movements are of particular interest for growth economists.

The interest of this book, however, does not end there. Angus Maddison presents his most comprehensive view of world economic growth, based upon a career which brought the author to senior posts in the OEEC in the 1950s before returning to the OECD in the 1960s and 1970s.

Maddison's study of phases in the development of the world economy, together with his comparison of relative performance between the different economies, casts light on the rôle of international economic relations and on the important rôle of national economic policies in the explanation of long-term growth trends. This is particularly useful at the present time.

I am convinced that this book will be welcomed not only by academics, but also by policy makers in both developed and developing countries who need to have their daily decisions guided by just such a study.

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June 1995

Foreword

This volume was produced in the context of the Development Centre's 1993/1995 research programme on financial systems, resource allocation and growth.