# ERRATA:

# MEASURING ECONOMIC GROWTH AND ITS RELATION WITH PRODUCTION POSSIBILITY FRONTIER AND RETURNS TO SCALE

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The paper published in the *International Journal of Economics and Research 7(6)* titled by *Measuring Economic Growth and Its Relation with Production Possibility Frontier and Returns to Scale* contains two propositions at page 84. These propositions are valid when there are constant returns to scale **for the growing sector**. Besides, it should be "if elasticity of output with respect to **capital** is same between sectors". The new propositions which contain the phrase of "for the growing sector" are the followings:

**Proposition 1**: For an economy with two commodities; if there are constant returns to scale conditions **for the growing sector**, if the identifying assumption is Hicks-neutral, and if elasticity of output with respect to **capital** is same between sectors, then, for a positive economic growth in one sector which is based on an increase in the labor of that sector, it should be:

i) if $\beta_x > \beta_y$ then $\alpha > \beta_y$ ,

ii) if $\beta_x < \beta_y$ then $\alpha < \beta_y$ .

**Proposition 2**: For an economy with two commodities; if there are constant returns to scale conditions **for the growing sector**, if the identifying assumption is Hicks-neutral, and if elasticity of output with respect to **capital** is same between sectors, then, for a positive economic growth in one sector which is based on an increase in the labor of that sector, it should be:

i) if $\beta_x > \beta_y$ then $\alpha > \beta_y$ and $\alpha + \beta_y \neq 1$ ,

ii) if $\beta_x < \beta_y$ then $\alpha < \beta_y$ and $\alpha + \beta_y \neq 1$ .

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