

## Abstract

Márquez, Yanod. "Econometric estimations of growth in Colombia using Thirlwall's Law", *Cuadernos de Economía*, v. xxv, n. 44, Bogotá, 2006, pages 119-142

*In Colombia there is no evidence of a direct relationship between economic growth and trade opening; on the contrary, there is evidence that Thirlwall's Law in all its versions better explains the relationship between the external sector and growth, even though the terms of trade are not constant and equilibrium can only be assured if a total rule is used, that is, if all the accounts in the balance of payments are used. The extended models of Thirlwall's Law improve notably if capital flows are replaced by the capital accumulation variation series.*

**Key words:** Keynesian models, Neoclassical trade models, foreign trade. **JEL:** F11, F13, F31.