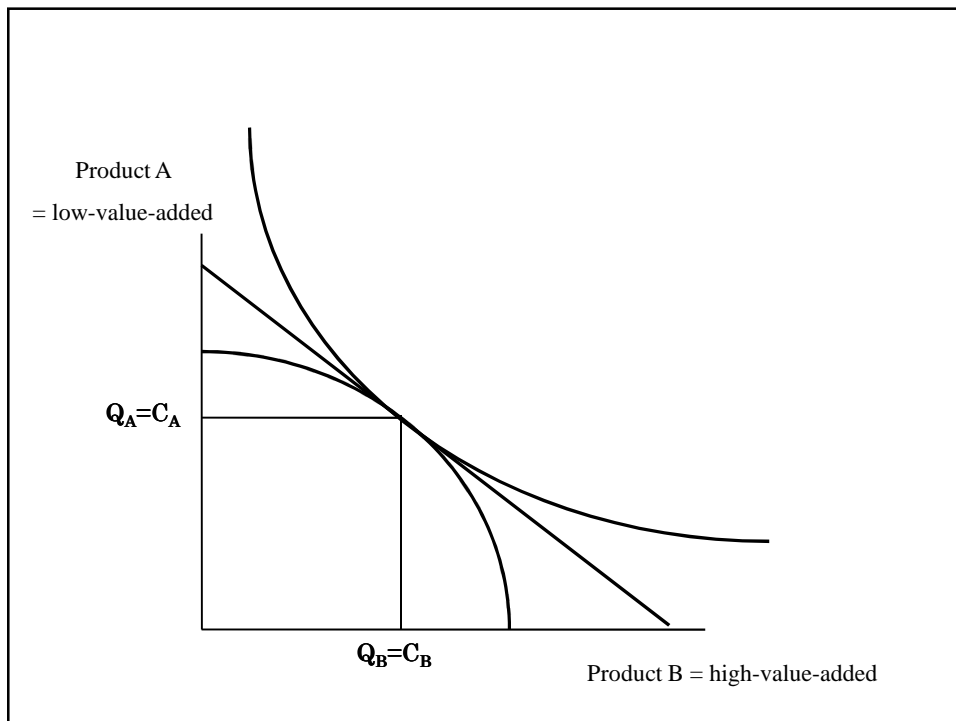
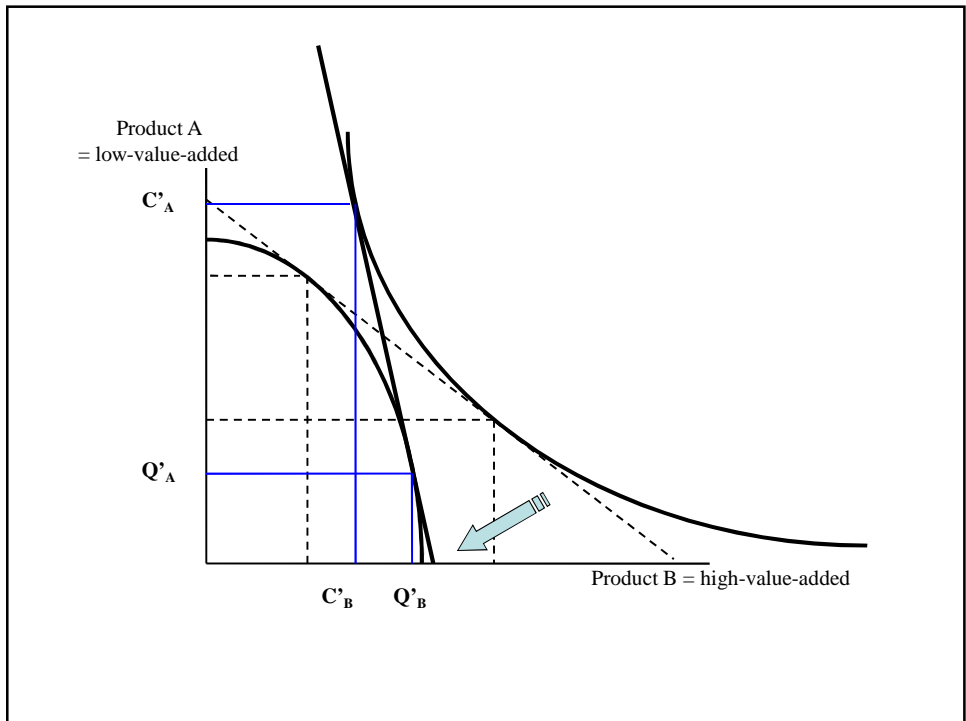
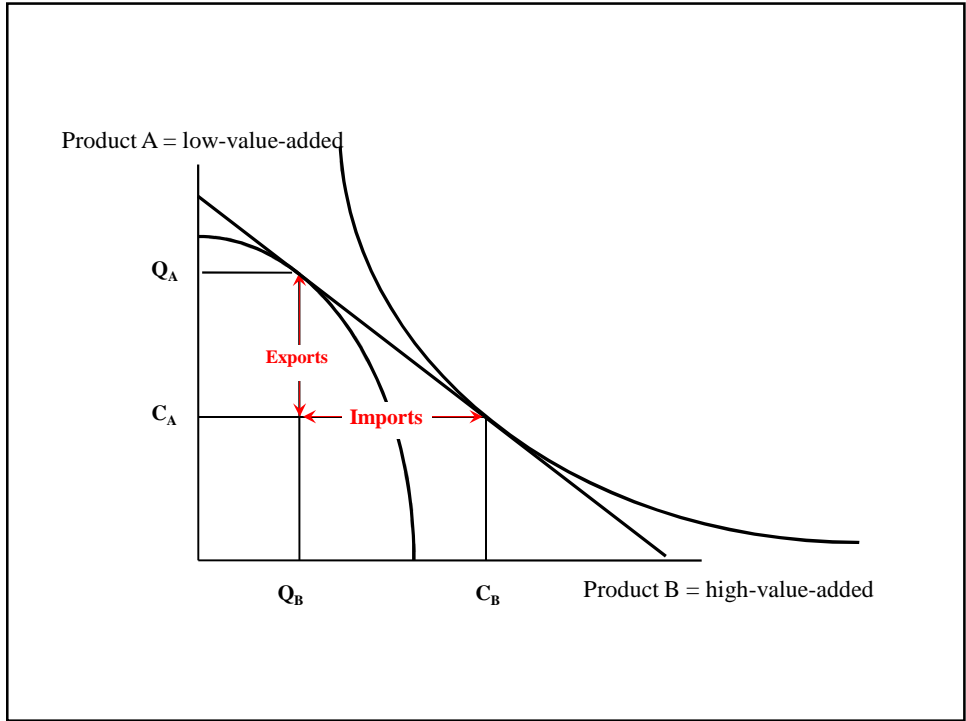
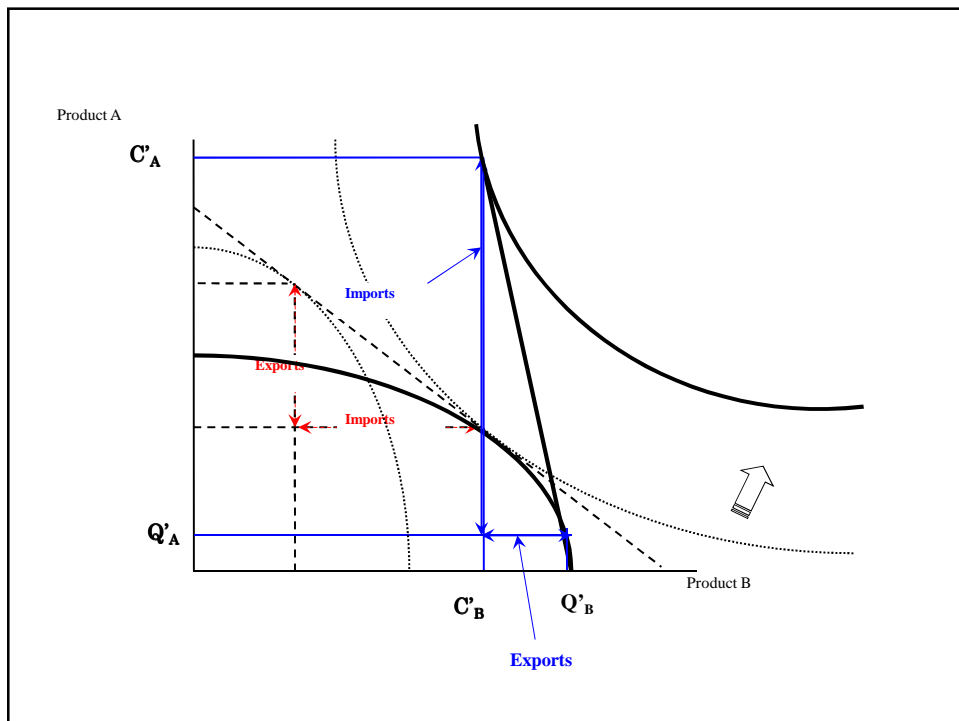
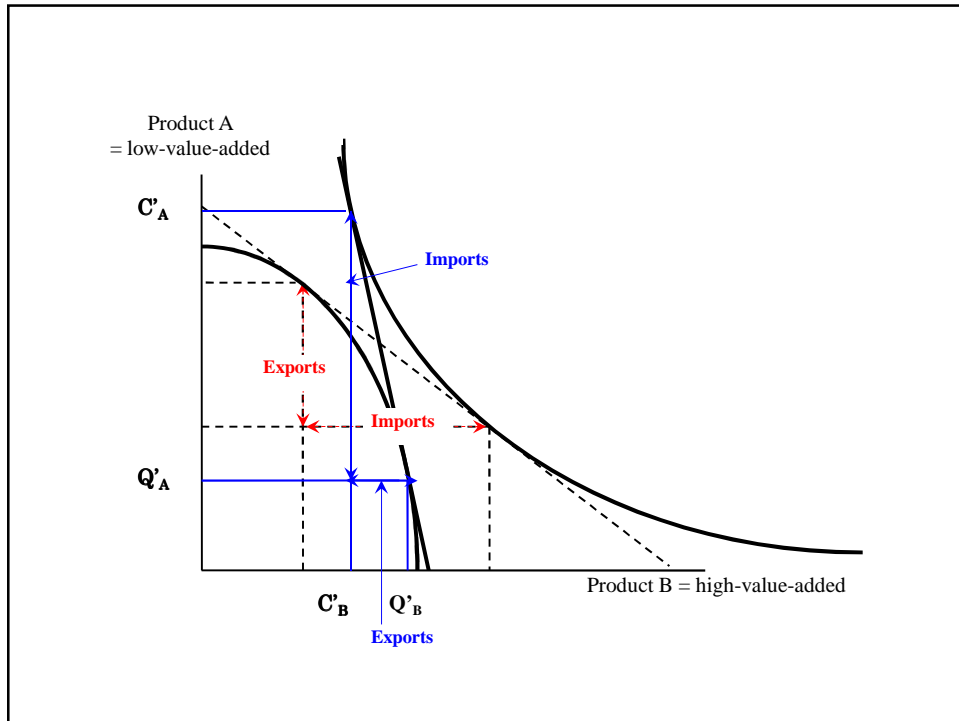


Change in industrial structure







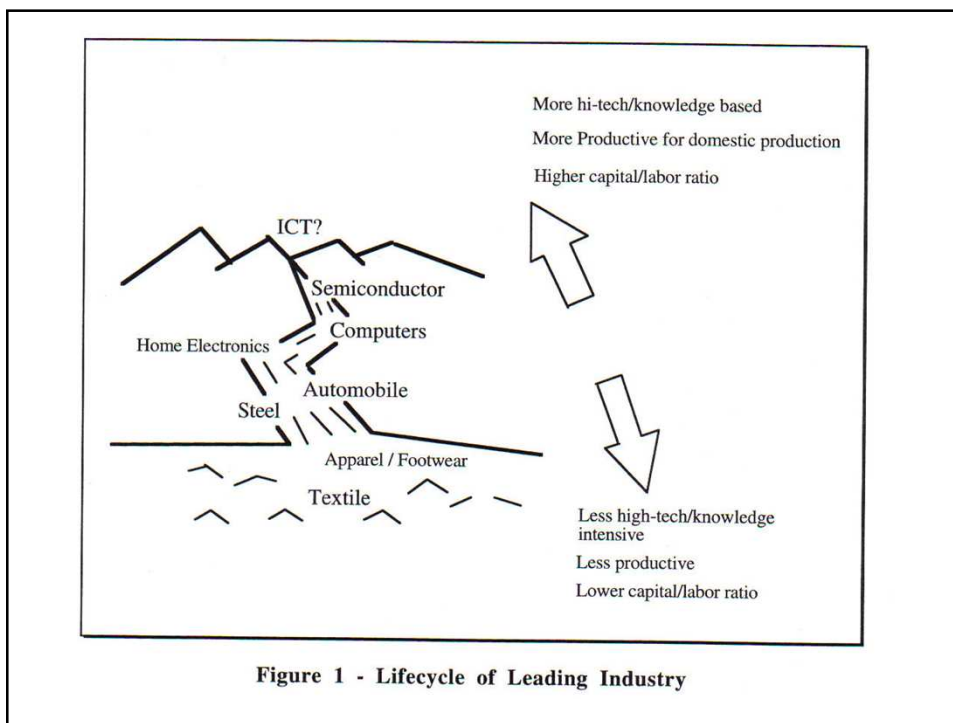
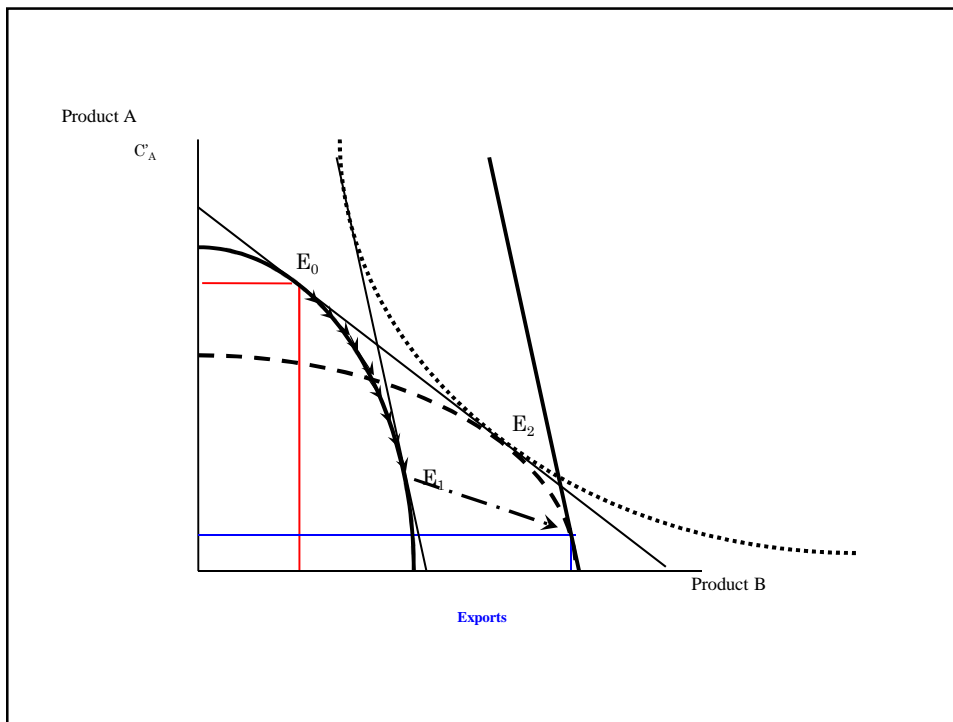
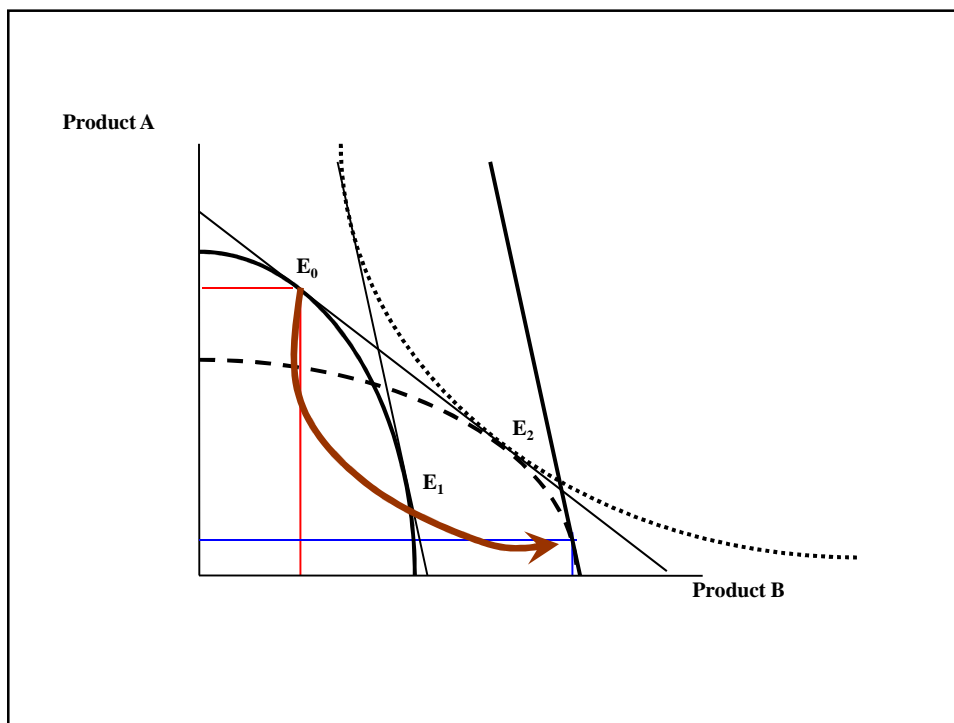
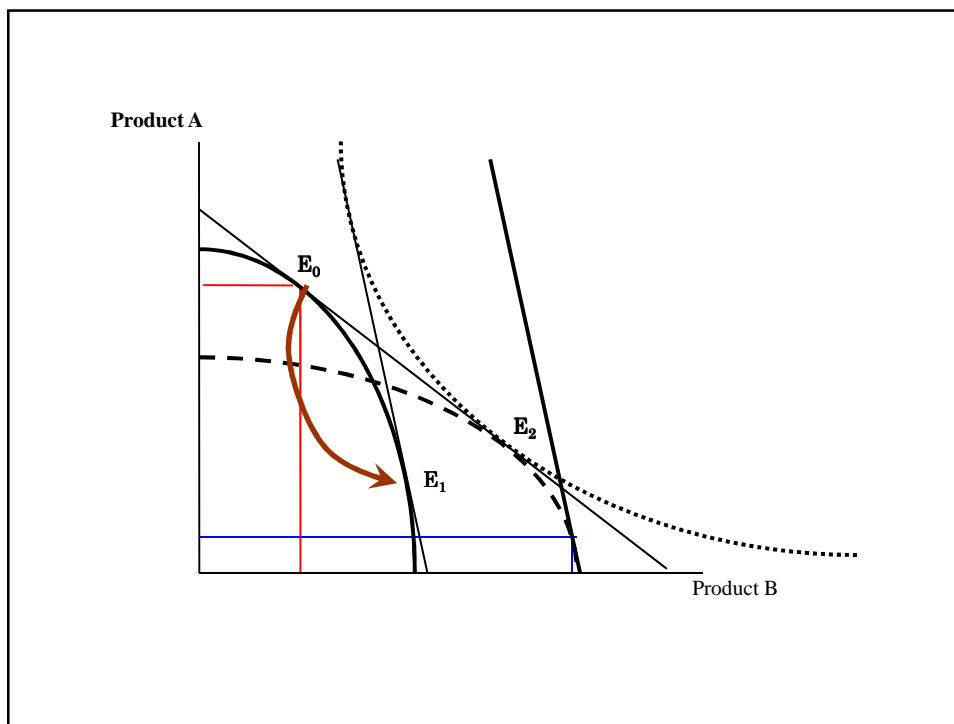


Figure 1 - Lifecycle of Leading Industry



Emerging market country model

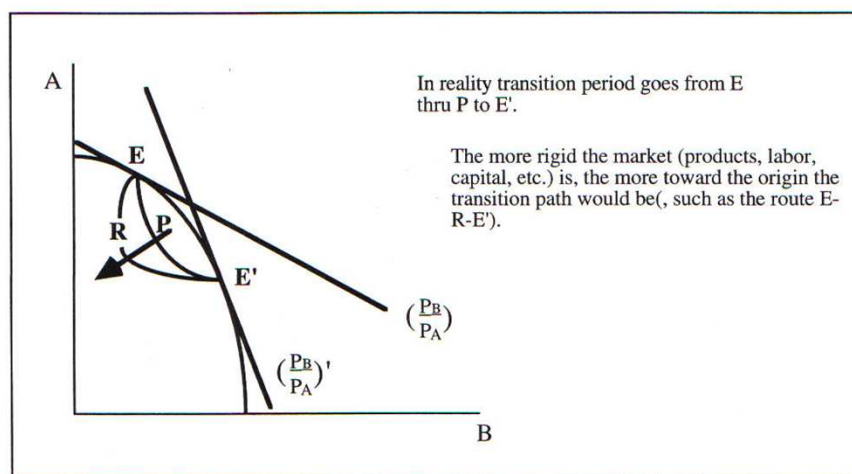
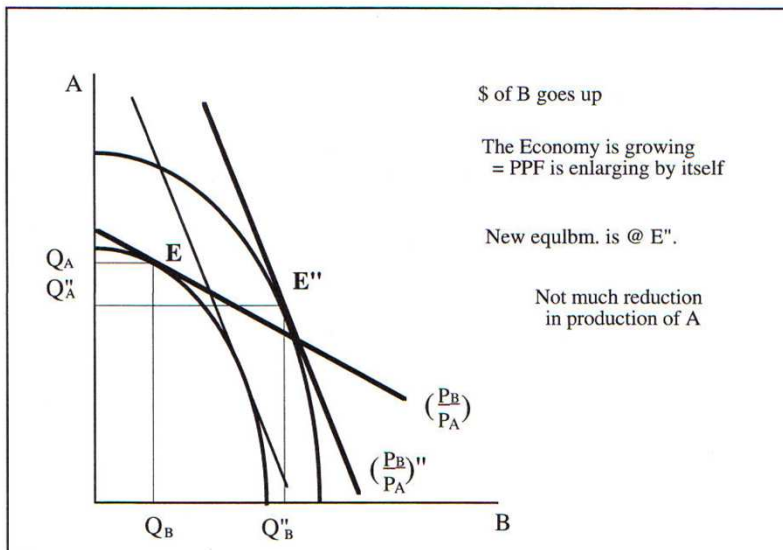


Figure 5 - Effect of Rigidity

Remedies for recession due to rigidities

- Unemployment benefits
- Job retraining / education
- Trade measures
 - Anti-dumping duties
 - Safe guard (Trade Act Section 201)
 - Section 301
 - Countervailing duties

Problems

- What are the economic factors and what are the political factors?
- Protectionist policies, trade war
- Remedies for recession due to rigidities become rigidities!
- When do industries/firms “graduate”?