

Natural Resources and Economic Growth: A Literature Review

Santhirasegaram, S*

Main objective of this study is that coming to a conclusion by investigating the relationship between natural resource abundant and economic growth via a deep literature review from past studies. This study which has adopted qualitative methods has reviewed many studies which centered natural resources and economic growth during past twenty years (Before 2008). According to the past studies, most of the studies show the negative relationship between natural resource abundant and economic growth. Some of them show the positive relationship between these two variables. A few studies show that the relationship between natural resources and economic growth determined by other factors such as human resource development, good governance and history of colonization. Recent studies have shown the impact of economic growth on natural resources namely environmental resources than determination of natural resources the economic growth. The conclusion of this study is that there is no robust positive relationship between natural resource abundant and economic growth. The relationship should be determined by other factors in an economy. Ecologists have proved statistically the negative effects of economic growth on natural resources.

Key Words: Natural resources, economic growth. Environment, ecologists

To whom correspondence should be addressed: selvarathnams@hotmail.com

*Senior Lecturer, Department of Economics, University of Jaffna