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# Economic Growth

## Economics 4794-001

Fall 2009 MWF 10:00-10:50 Econ 117

### Course Syllabus and Reading List

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Office: Economics 206B

Office Hours: Wed and Fri from 11-12:30 and by appt.

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#### **Objectives of the course**

Since the 1980's, Economic Growth has emerged as an independent area of active field of research within economics. The aim of this course is to synthesize recent ideas and approaches to understanding economic growth at the undergraduate level, and to survey the leading explanations for the causes of growth. This course is organized into three substantive sections. The first examines the degree to which income variations across countries can be attributed to variations in factor accumulation, and, the determinants of factor accumulation. In the second part of the course, we study of the role of productivity and technology in explaining income differences. The third section explores the deeper or fundamental characteristics of countries that may underlie differences in factor accumulation and productivity among countries. We will supplement textbook material with articles about the economic history of country experiences.

#### **Prerequisites**

Econ 1078 or equivalent. Econ 3070 or Econ 3080.

#### **Text**

There is one required text in this course: David N. Weil, Economic Growth, 2<sup>nd</sup> edition. There are also supplementary readings that I will introduce throughout the course. These readings are required and will be available on CULINK for this course.

## Course Requirements and Evaluation

Evaluation will be based on three in-class midterms and a final exam.

The format of classes will consist of lectures and lab demonstrations. Lab demonstrations basically consist of empirical problems that we will solve in class, as well as examples of how data may be used to analyze issues in economic growth. These exercises will not be handed in for a grade. I will hand out these lab exercises ahead of time, and ask you to do the exercises at home first. To make the most of these in-class lab demonstrations, you need to at least attempt to do them before seeing the solutions.

Your grade will have the following components:

3 Midterms (25% each)	75%
Final Exam	25%

**Policy on Late Work:** NO makeup examinations for missed exams and NO late papers will be accepted. If you miss the midterm or group presentation due to an emergency, you must present adequate documentation of the emergency or your grade for that exam will be zero.

**Honor Code:** Cheating and plagiarism are academic offenses and any student caught cheating or plagiarizing will be sanctioned. If there is any person in the class who is uncertain about what constitutes either cheating or plagiarism, he/she should consult me the University of Colorado Catalog. In addition, obtaining material from “pre-written” sources is *definitely* considered an academic offense! Department policy regarding disabilities and religious holidays is given on the first page of the course site <[www.colorado.edu/Economics/courses](http://www.colorado.edu/Economics/courses)>

**Disability Accommodations:** If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services in a timely manner so that your needs may be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Willard 322, and <http://www.Colorado.EDU/disabilityservices>

**Absences due to Religious Observance:** Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. See full details at [http://www.colorado.edu/policies/fac\\_relig.html](http://www.colorado.edu/policies/fac_relig.html) If you have scheduling conflict covered by this policy, please let me know by the third week of class.

**Classroom Behavior:** Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, culture, religion, politics, sexual orientation, gender, gender variance, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records. See policies at <http://www.colorado.edu/policies/classbehavior.html> and at [http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student\\_code](http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_code)

**The University of Colorado at Boulder policy on Discrimination and Harassment, the University of Colorado policy on Sexual Harassment and the University of Colorado policy on Amorous Relationships apply to all students, staff and faculty:** Any student, staff or faculty member who believes s/he has been the subject of discrimination or harassment based upon race, color, national origin, sex, age, disability, religion, sexual orientation, or veteran status should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127 or the Office of Judicial Affairs at 303-492-5550. Information about the ODH, the above referenced policies and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>

## **Topic Outline and Readings**

We will be devoting approximately one week to each topic heading. However, I reserve the right to change the schedule if our progress requires it.

### **Introduction**

1. Chapter 1 and 2: Differences in the level and rate of Income Growth among countries.  
Theory: Working with growth rates.

### **Factor Accumulation**

2. Chapter 3: Capital's Role in Production  
Theory: The Solow Model
3. Chapter 4.1-4.3: The Role of Population in Economic Growth  
Theory: The Malthusian Model
4. Chapter 4.4 and Appendix: When and where have Fertility Transitions occurred  
Theory: Total Fertility Rate, Life Expectancy, Net Rate of Reproduction
5. Chapter 6: The Effect of Human Capital on Growth

Week 6: Review and Midterm 1

### **Productivity**

6. Chapter 7: How much does productivity growth differ among countries?  
Theory: Growth Accounting, Total Factor Productivity
7. Chapters 8 and 9: Can technological gaps explain differences in productivity?  
Theory: Model of Technological Change
8. Chapter 10: How much of productivity differences come from inefficiency?  
Theory: Decomposing productivity into technology and efficiency
9. Chapter 11: Does being open to the world economy affect a country's economic growth?  
Theory: Growth with capital mobility

Week 11: Review and Midterm 2

### **Long-Run Fundamentals**

10. Chapter 12: Government
11. Chapter 14: Culture and Social Capital
12. Chapters 15 and 16: Geography, Climate, And Natural Resources

Week 15: Review and Midterm 3

Week 16: Concluding discussion

Final Exam