

## **Economics 475: Economics of Growth**

Spring 2017

Maria Muniagurria  
6418 Social Science  
Phone: 263-3865

e-mail: [munia@ssc.wisc.edu](mailto:munia@ssc.wisc.edu)  
Office Hours: Tu 2-3 pm and Th 1- 2 pm  
**Web Page:** <http://www.ssc.wisc.edu/~munia/475/>

### **Course Description:**

The course will be devoted to the study of models of economic growth, their applications and the empirical evidence across countries. Prerequisites for the class are Econ 301 and 302 (Intermediate Micro and Macro) and Math 221 with a grade of B or higher. We will be using calculus.

### **Required Readings:**

We will be using: "Introduction to Economic Growth," Third Ed. , by Charles I. Jones and Dietrich Vollrath, 2013, W.W. Norton and additional readings available either in the class web page directly or in e-reserve (access through My UW).

### **Grading/ Exams:**

1. Grading will be on the basis of **three exams (none of them cumulative)**, homework assignments, short in class/section activities and a class presentation.

The dates and weighting will be:

	<b>Weight</b>	<b>Date / Dates</b>
Exam 1	28 %	Tu February 21
Exam 2	28 %	Tu April 4
Exam 3(non-cumulative)	24 %	Th May 4 (last day of classes)
Homework /Class attendance & activities	12 %	To be announced in class/via email
Country Education Report/Homework	8 %	To be announced in class/via email

Students will be graded on a curve with the course median at the mid B range. The grade distribution will be approximately as follows: A: 18%, AB: 12%, B: 35%, BC: 20%, C and lower: 15%, (there is an absolute standard to pass the class). Students need to take the **THREE EXAMS** to pass the class.

2. Students are responsible for announcements made in class and via e-mail.
3. As a general rule, I do not give make up exams. However, if there are exceptional circumstances that make it impossible for you to take an exam at the scheduled time you should contact me **before** the exam.

### **E-mail and WEB Page**

The class will be put on an electronic mailing list. This allows distribution of announcements and class related information to everyone. Please check your E-mail regularly (**this is mandatory**).

I will use E-mail to provide you with detailed information about the topics we will be covering at a particular time, specific readings, topics to be included in each exam , etc.

The Web page for our class has the syllabus, other relevant information and useful links. The address is:

<http://www.ssc.wisc.edu/~munia/475>

### **COURSE OUTLINE AND READINGS.**

#### **I. Introduction, Stylized Facts, Overview of Growth Models**

Jones: Ch.1

Aghion and Howitt , "The Economics of Growth, " Introduction, pages 1-18, (e-reserves, only sections covered in class).

The New Kaldor Facts: Ideas, Institutions, Population, and Human Capital, Jones (e-reserves, only sections covered in class).

Acemoglu, D: "Introduction to Modern Economic Growth", Princeton University Press, 2008, by Princeton University Press, Ch. 1 (e-reserves, only sections covered in class)

Jones: Appendix A (Mathematical Review)

## **II. Solow Model : With and Without Tech. Change, Growth Accounting**

Jones: Ch. 2.

Mankiw, D. "Macroeconomics", Worth Publishers 2004: The Golden Rule level of capital, (e-reserves).

Aghion and Howitt "The economics of growth," Capital, Innovation and Growth Accounting, pages 105-113, (e-reserves, only sections covered in class).

Young, Alwyn "A Tale of Two Cities: Factor and Technical Change in Hong Kong and Singapore", 1992, NBER Macroeconomics Annual (e-reserves, only sections covered in class).

Young, Alwyn "The Tyranny of Numbers: Confronting the Statistical Realities of the East Asian Growth Experience", Alwyn Young, QJE 1995 (e-reserves, only sections covered in class).

## **III. Neoclassical Growth Model with Human Capital, Empirical Applications of Neoclassical Growth Models**

Jones: Ch. 3

## **IV. Skills and Education**

Aghion and Howitt, "The Economics of Growth," Investing in Education, pages 287-314, (e-reserves, only sections covered in class).

Krueger, Alan B. and Lindahl, Mikael, "Education for Growth: Why and For Whom?" (January 2000). Princeton University, Industrial Relations Section Working Paper No. 429, <http://ssrn.com/abstract=223589> (only sections covered in class).

## **V. Technology, Endogenous Growth**

Jones: Ch. 4 (only sections covered in class).

Jones: Ch. 5 (only sections covered in class).

## **VI. Technology Diffusion Across Countries**

Jones: Ch. 6

## **VII. Population and Sustained Growth**

Jones: Ch. 8

## **VIII. Alternative Theories of Endogenous Growth**

Jones: Ch. 9

## **IX. Natural Resources**

Jones: Ch. 10

Weil, D., "Economic Growth," Addison Wesley 2009, Ch. 16 (selected pages)

## **X. Institutions, Government Policies**

Aghion and Howitt, "The Economics of Growth," Institutions and Non Convergence Traps, pages 237-246, (e-reserves, only sections covered in class).

Weil, D., "Economic Growth," Addison Wesley 2009, Ch. 12 (e-reserves selected pages)

Acemoglu, D.; Johnson, S.; Robinson, J., "The Colonial Origins of Comparative Development: An Empirical Investigation," American Economic Review, 91 (5), Dec. 2001. (e-reserves, only sections covered in class).

Albouy, David, The Colonial Origins of Comparative Development: An Investigation of the Settler Mortality Data, 2006 (only sections covered in class).

Acemoglu, D.; Johnson, S.; Robinson, J "The Rise of Europe: Atlantic Trade, Institutional Change and Economic Growth," American Economic Review, June 2005, Vol 95, No. 3

## **XI. Income Distribution, Countries Experiences**

Weil, D., "Economic Growth," Addison Wesley 2009, Ch. 13 (e-reserves selected pages)  
Additional material will be announced.

### **Grievance Procedure**

The Department of Economics has developed a grievance procedure through which you may register comments or complaints about a course, an instructor, or a teaching assistant. The Department continues to provide a course evaluation each semester in every class. If you wish to make anonymous complaints to an instructor or teaching assistant, the appropriate vehicle is the course evaluation. If you have a disagreement with an instructor or a teaching assistant, we strongly encourage you to try to resolve the dispute with him or her directly. The grievance procedure is designed for situations where neither of these channels is appropriate.

If you wish to file a grievance, you should go to room 7238 Social Science and request a Course Comment Sheet. When completing the comment sheet, you will need to provide a detailed statement that describes what aspects of the course you find unsatisfactory. You will need to sign the sheet and provide your student identification number, your address, and a phone where you can be reached. The Department plans to investigate comments fully and will respond in writing to complaints.

Your name, address, phone number, and student ID number will not be revealed to the instructor or teaching assistant involved and will be treated as confidential. The Department needs this information, because it may become necessary for a commenting student to have a meeting with the department chair or a nominee to gather additional information. A name and address are necessary for providing a written response.

### **Misconduct Statement**

Academic Integrity is critical to maintaining fair and knowledge based learning at UW Madison. Academic dishonesty is a serious violation: it undermines the bonds of trust and honesty between members of our academic community, degrades the value of your degree and defrauds those who may eventually depend upon your knowledge and integrity.

Examples of academic misconduct include, but are not limited to: cheating on an examination (copying from another student's paper, referring to materials on the exam other than those explicitly permitted, continuing to work on an exam after the time has expired, turning in an exam for regrading after making changes to the exam), copying the homework of someone else, submitting for credit work done by someone else, stealing examinations or course materials, tampering with the grade records or with another student's work, or knowingly and intentionally assisting another student in any of the above. Students are reminded that online sources, including anonymous or unattributed ones like Wikipedia, still need to be cited like any other source; and copying from any source without attribution is considered plagiarism.

The Dept. of Economics will deal with these offenses harshly following [UWS14 procedures](#):

1. The penalty for misconduct in most cases will be removal from the course and a failing grade,
2. The department will inform the Dean of Students as required and additional sanctions may be applied.
3. The department will keep an internal record of misconduct incidents. This information will be made available to teaching faculty writing recommendation letters and to admission offices of the School of Business and Engineering.

If you think you see incidents of misconduct, you should tell your instructor about them, in which case they will take appropriate action and protect your identity. You could also choose to contact our administrator Tammy Herbst –Koel ( [therbst@wisc.edu](mailto:therbst@wisc.edu)) and your identity will be kept confidential.

For more information, refer to <https://www.students.wisc.edu/doso/academic-integrity/>