


Fall 2018

Econ 356

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ECONOMICS 356: GROWTH AND DISTRIBUTION SYLLABUS

Overview

Why do economies grow over time? Why are some countries so much more productive than others? What are the consequences of economic growth?

We will study alternative theories, empirical evidence, and explore economic policies directed at growth.

Students will become familiar with facts about long-run growth and variation across countries, will develop oral presentation skills, will enhance their ability to appreciate and critique empirical analysis, and will gain command of issues central to policy debates.

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Class Times: MWF 9:20

Textbook: David Weil, *Economic Growth*, Third Edition (Pearson, 2012).

Website: sites.google.com/a/colgate.edu/econ386

Prerequisites: Econ 251 and Econ 252.

Global Engagements

Econ 356 fulfills the Global Engagements requirement. Economic growth and productivity are central to the livelihoods and lifestyles of all people everywhere. What does it mean to say per capita incomes in the United States are eight times higher than a century ago, and why has this happened? Why are incomes in the United States so much higher than in Mexico, or South Africa, for example. We will refer frequently to the general international patterns, and to particular cases, such as Argentina, Southern Europe, Vietnam, Japan, Australia, or Ghana. One of the class's major themes is the extent to which economic growth around the world is an integrated process, with countries being linked by trade, history, geography, knowledge, or pollution.

Requirements

1. Problem Sets (10%)
2. Presentations (20%)
3. Debate (10%)
4. Final Paper (10%)
5. Midterm (20%)
6. Final (30%)

Problem Sets

Occasional problem sets will include pencil-and-paper, exam-style problems as well as empirical exercises. The problem sets may require some simple work using a **spreadsheet** program (e.g., Excel, Gnumeric, Calc) or **statistical** program (e.g., R, SAS, Stata). While studying and working on problem sets in groups is encouraged, any work you turn in should be your own. You should write up problem set answers independently, for example. It is presumed that you will comply with the Colgate University **Academic Honor Code**.

Presentations

There will be three oral presentations. The first two will be individual presentations summarizing the key ideas of a journal article. The third will be in the form of a debate between teams of three students. For the first two presentations you will submit a two page paper.

Final Paper

The Final Paper describes some issue in the field of economic growth. The paper could be about a policy issue, about the experience of a particular country or region, about some mechanism that generates growth, or about the consequences of economic growth. You choose the issue and write an overview, including a literature review.

Schedule

Topic	Theory	Evidence	Readings
Measurement			
1	Facts	Measuring GDP	Weil (1, 2)
Basic Models			
2	Solow	Growth/Development Accounting	Weil (3, 7)
3	Malthus	Demographics	Weil (4, ex 4.2; 5) Nunn and Qian [2011]
4	Uzawa-Lucas	Schooling and Growth	Weil (6, ex 6.1) Pritchett [2001] Jones [2014] Lagakos et al. [2012]
5	Romer	Effect of R&D subsidies	Weil (8, also 9)
Fundamentals			
6	Institutions	Corruption and Growth	Weil (12) Acemoglu and Robinson [2010]
7	Geography	Tropical Disease	Weil (15) Sachs and Warner [2001]
8	Culture	Individualism	Weil (14) Guiso et al. [2006]
Productivity			
9	Trade	Does Trade Cause Growth?	Weil (11) Frankel and Romer [1999]
10	Inequality	Kuznets Curve	Weil (13) Bourguignon and Morrisson [2002]
11	Finance	Financial Dependence	Rajan and Zingales [1998]
12	Firms	Productivity Differences	Bloom and Van Reenen [2010] Hsieh and Klenow [2014]

Key Dates

9/10-9/12: Presentations
10/22: Midterm
10/29-11/2: Presentations
11/12: Paper topics due
12/3-12/7: Debates
12/12: Final Paper due
12/20: Final

References

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