

ECONOMIC GROWTH ECO362H1F: Fall 2011

Department of Economics
The University of Toronto

Class information:

Meeting date and time: Wednesdays 10-12 noon

Location: SS1073

Instructor:

Kripa Freitas
Department of Economics
Max Gluskin House, Room 227

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Tel: 416-978-1494

Office hours: Wednesdays 12.15-2 pm (after class) and Fridays 9.30-10.30am.

TAs:

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Course description:

This course will be centered around the questions of why some countries are richer than others and what makes countries grow at different rates? We will work through, analytically, the roles that capital and labor accumulation play. We will also address the role of technology and efficiency. Lastly, we will consider reasons for why factor accumulation and productivity could be different across countries.

The goal of this course is to equip you with the tools to think about issues related to growth analytically. The outcome we are aiming for is that you should be able to consider a growth related issue/article/argument and critically evaluate it using the models and analysis done in class. More importantly, you should be able to convey your argument and the intuition behind your logic to someone else.

Course Prerequisites:

Students must have the following prerequisites as per the Calendar to be able to take this course

Microeconomics: ECO200Y1/204Y1/206Y1

Macroeconomics: ECO202Y1/208Y1/209Y1

Quantitative methods: ECO220Y1/227Y1/ STA247H1, 248H1/STA250H1, 255H1
/STA257H1, 261H1

Exclusion: ECO352H1, ECO360Y1, ECO362H5

It is your responsibility to make sure you satisfy the pre-requisites. The Economics Department strictly enforces them and you will be dropped from the course if you do not satisfy them.

I also expect you to know basic calculus, specifically partial derivatives.

Readings:

The required text for this course is: *Economic Growth*, 2E by David N Weil, 2008; Prentice Hall
In addition the following books are recommended:

- *Introduction to Economic Growth* by Charles I. Jones; W.W. Norton and Company.

- *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics* by William R. Easterly; MIT Press, 2001

Additional readings may be assigned during the course of the class.

Companion website:

The book has a companion website available at: http://wps.aw.com/aw_weil_econgrowth_2/. It is described in the preface of the textbook. We will not be using it in class and you do not have to sign up for it. However if you are interested in exploring the data using Excel or Stata the Lab manuals are interesting.

Course website:

This course uses Blackboard which can be accessed at: <https://portal.utoronto.ca/>. It will be used to distribute course materials, post practice questions, to communicate and to post grades. It will be the primary means of communication for this class. You will be responsible for checking the Blackboard course site regularly for class work and announcements.

Grade:

The grade for this class will be based on:

Exam	Weight	Date	Time
Midterm	40%	Oct 19th	10-12 noon, location TBA
Final	60%	Final examination period Dec 9 th - 20 th	

I do not allow extra credit assignments. Attendance is not used in determining grades.

The midterm exam will include material covered right up to the lecture before the exam. The final is **cumulative** and will include all the material covered in the class over the semester.

Problem sets:

I will put up four problem sets on Blackboard as we go through the semester. You do not need to hand in these problem sets. You are strongly encouraged to work on these problem sets. Solutions will not be posted. You are encouraged to come in to see me if you have any questions on them. In addition the TA will set up four tutorials during the semester to briefly discuss the problem sets. These tutorials will be announced in advance in class and on Blackboard

Course Outline: We will cover the following topics over the semester. It is subject to change during the semester. The pace of the class may vary so the exact material covered per lecture is not given.

1. Introduction: Facts to be explained. (Weil chapters 1 and 2)
2. The Solow model with Physical Capital accumulation (Weil chapter 3)
3. Population growth (Weil chapter 4)
4. Human Capital (Weil chapter 6)
5. Productivity, Technology and Efficiency (Weil chapters 7,8,9 and 10)
6. Open economy growth (Weil chapter 11)
7. The role of Governments (Weil chapter 12)
8. Income inequality (Weil chapter 13)
9. Culture and Growth (Weil chapter 14)
10. Geography (Weil chapter 15)

Policies

Missing the midterm:

If you miss the midterm for a *valid, documented* reason you will be given a make up test. To be considered for a make up test you need to do the following:

- You need to **email me before the exam** to say that you will not be taking the exam. The email should have a detailed explanation of why you are unable to take the test.

- You have till **one week after the test** to follow up the email with the documentation. This needs to be handed in to me *in person* either after class or in my office. Please also include a copy of the email above. If you don't provide the documentation in time or if your note is not accepted you will be assigned a grade of 0 for the midterm.

- If you need to miss the test for a medical reason, I will require a fully completed *original* (not scanned, copied, or emailed) University of Toronto Medical Certificate, available at: <http://www.healthservice.utoronto.ca/pdfs/medcert.htm>

- It needs to be completed by a qualified medical doctor (e.g., not an acupuncturist, chiropractor, or other health care professional) and the doctors OHIP registration number must be provided.

- The physician's report must establish that the patient was examined and diagnosed *at the time* of illness, not after the fact. I will not accept a statement that merely confirms a report of illness made by the student and documented by the physician.

- For the illness to be considered, the note from a doctor should state that in their opinion *on the date of the test* you are too ill to write the exam.

- In general conditions such as colds, headaches, diarrhea, stomach aches or other similar conditions are also not accepted as sufficient reasons for missing an exam. Simply not feeling your best, suffering from stress or anxiety is no longer considered to be an excused absence.

- If you need to miss the midterm for any other reason (like funerals etc.) you must provide documentation (like a funeral program/obituary, air tickets etc.). In addition I will need a note from a responsible adult which also has their contact information so I can verify the details.

The final decision to accept the note lies with me or the undergraduate chair.

- If your note is accepted then you will be allowed to take the make up midterm which will be held on Friday, **October 28th, 2011 9.30-11.30 am**, location to be announced. Please note that you may not get your graded exam back for the make-up exam before the drop deadline. The format may be different from the class midterm.

- Consistent with university policy, there is no "make-up" test for the make-up test. No medical excuses will be accepted, and grade of zero will be applied if a student fails to write the make-up test.

Regrades:

Requests for regrades will be accepted **in writing** up to one week after each exam is returned. When requesting a regrade on an exam, it is important to attach a detailed note on the front of the exam indicating the problem in question, as well as your concern about the grading. We regrade

entire exams, not just individual questions, so your grade could go up or down. This does not apply to scores added up incorrectly. Please let me know about those as soon as possible.

Drop dates:

Please make sure you check the calendar to make sure you're aware of the add/drop deadlines and the associated penalties: <http://www.artsandscience.utoronto.ca/ofr/calendar/Sessional-Dates.html>

Email policy:

I will try to respond to emails within 24 hours outside of weekends. However, I do not respond to emails that ask a question that can be answered by looking at the syllabus or course website. Some questions cannot be answered adequately over the email so I will ask you to see me in office hours. Questions on grading will only be answered during office hours.

Academic Dishonesty:

I take any attempts to cheat (either actively or by assisting/facilitating cheating) very seriously. Any student caught or suspected will be referred to the Economics Department and the Office of Student Academic Integrity and will be subject to penalties as prescribed by the University.