

Department of Economics, University of Toronto
ECO362H1S – Economic Growth
Spring 2015

Instructor: Professor Diego Restuccia
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Lectures: T 10-12noon VC323
Tutorials: F 12-1pm VC323 (First tutorial Jan 16, runs every week)

Overview:

The main objective of this course is to apply economic theory to understand and interpret empirical observations on economic development and growth. In this course, we will study the main facts characterizing economic development and growth over time and across countries, as well as the ability of theoretical models to account for these facts.

Course Materials:

The recommended textbook for this course is *Economic Growth*, by David N Weil, Addison-Wesley, 2013 (3rd edition). Additional readings will be provided throughout the class and posted on Blackboard.

Course Work and Grading:

The final grade will be determined as follows: Term test (40%) and Final exam (60%). The term test is scheduled for Tuesday February 24 (during class time, location EX 310). Class participation is strongly encouraged and will count positively towards marginal adjustments to your final course grade. No other work will count towards your final grade. Sample problems will be distributed during the course and discussed in Tutorials.

If your score on the final exam is higher than your score on the term test and the score on your term test is above 30%, then the term test does not count and its weight is automatically added to the weight of the final exam. This upside potential does not apply for make-up term tests.

If a student does not write the term test, a grade of zero will be given unless an appropriate and convincing note is received within one week of the missed test. If a student misses the term test due to illness, a valid “Verification of Student Illness or Injury” form must be submitted. The form must show that you were examined and diagnosed at the time of illness and on the date of the test, or the day after at the latest. In addition, the student must e-mail me the day of the test to indicate that they will not be able to write the test. I will review the notes to determine whether there are sufficient grounds for a student to be

excused from the test. Students with an excused absence from the test will write a make-up test. This make-up test may be held after the course drop date. Consistent with University policy, there will be no “make-up” test for the make-up test and a grade of zero will be applied.

Regrading:

Requests for regrades will be accepted in writing up to one week after the exam is returned. When requesting a re-grade, use the re-grade form posted on Blackboard. We regrade entire exams, not just individual questions, so your grade could go up or down as a result of the regrade.

E-mail Policy:

In my experience, e-mail is not the most effective means for discussing economics, office hours are more appropriate. I will endeavour to reply to e-mail within 24 hours, except on weekends. I will only respond to e-mails from utoronto accounts and that are clearly identified as ECO362 in the subject line.

Pre-requisites and academic integrity will be strictly enforced.

Course Outline: (tentative and subject to change)

1. Facts on Economic Growth and Development (Weil Ch 1; slides)
2. The Solow Growth Model (Weil Ch 2 and 3; notes)
3. Human Capital (Weil Ch 6; slides)
4. Development and Growth Accounting (Weil Ch 7, notes)
5. The Neoclassical Growth Model (notes)
6. Historical Perspectives on Growth (Weil Ch 4; notes)
7. Agriculture and the Structural Transformation (notes)
8. Misallocation and Productivity (Weil Ch 12; slides)
9. Inequality (Weil Ch 13; slides)