

Department of Economics, University of Toronto
ECO451H1S – Macroeconomic Growth
Spring 2016

Instructor: Professor Diego Restuccia

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Office hours: T 12-1pm

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Teaching Assistant: Stephen Ayerst, stephen.ayerst@mail.utoronto.ca

Lectures: T 10-12pm UC 152

Tutorials: F 12-1pm UC 261 (First tutorial Jan 22, runs every week)

Overview:

This course is aimed at advanced undergraduate students with interest in macroeconomics, development, and/or international economics. 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 in detail the ability of theoretical models to account for the empirical facts characterizing economic development and growth over time and across countries.

Course Materials:

Readings will be provided throughout the class and posted on Blackboard.

Course Work and Grading:

The final grade will be determined as follows: Project proposal (15%), project report (25%) and final exam (60%). The project proposal is due in class Tuesday February 23 and the project report is due in the last class on Tuesday April 5. 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.

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 ECO451 in the subject line.

Pre-requisites and academic integrity will be strictly enforced.

Course Outline: (tentative and subject to change)

1. Introduction
2. Neoclassical Growth Model: Transitions and computation
3. Extensions to the Neoclassical Growth Model
4. Human Capital Accumulation
5. Structural Transformation
6. Agriculture and Aggregate Productivity
7. Firm Heterogeneity, Misallocation and Productivity
8. Misallocation in Agriculture