

Eco 362H1: Economic Growth, Winter 2016

Prof. Freitas, Department of Economics, University of Toronto

Course Description and Learning Objectives

Why is Bangladesh's average income level so much lower than Canada's? Why is India growing so much faster than Belgium? The field of economic growth uses theoretical models to identify and understand the mechanisms that drive income differences across countries and across time.

In this class we will cover growth models with the goal to understand how they work and how effective they are at explaining observed patterns in the data. Topics covered include factor accumulation, human capital, technology, efficiency and institutions.

By the end of this course successful students should be able to:

- Setup and work through a set of growth models. Explain precisely the basic mechanisms behind the predictions, paying careful attention to the limits of the analysis and how the predictions depend on the underlying assumptions.
- Take different close-ended scenarios, figure out which model to use and use it correctly to predict the impact on the level/growth of income.
- Given a real world open-ended policy, independently and in-depth:
 - Figure out how to incorporate it into a growth model.
 - Explore the impact of it within that model correctly - make predictions and use evidence effectively.
 - Provide feedback to peers on their application of growth models.
- Communicate critical analysis precisely, in simple English to a wide range of audiences.
- Be familiar with recent debates in the field.

Class Information

Section: Meeting times (location)

L0101: Thu 10-12pm (PB B150), Fri 10-12pm: 10-11am (MS 2172)

L0201: Thu 2-4pm (EM 001), Fri 10-12pm: 10-11am (MS 2172)

Office hours: Type (location) – day, time

Drop in (GE 213) – Mon 1-2pm

By Appointment only (GE 224)-Fridays 2-3pm. Book at: <https://www.timetrade.com/book/GFGSK>

Contact: 416-978-2268, k.freitas@utoronto.ca

Course Website: [Portal](#) and <http://freitas.faculty.economics.utoronto.ca/eco362-2/>

TA: Chaoran Chen chaoran.chen@mail.utoronto.ca, Office hours information on Portal - Contacts tab

Course Materials

Required Textbook: *Economic Growth*, by David N Weil, Pearson, 3rd ed. (1 copy on course reserves at Robarts). You can use the 2nd ed. if you note any differences between the editions. *Treat the lectures and textbook as complements.*

Required Readings: They are in addition to the textbook and are listed on the [website](#). **The Reading List will be updated throughout the course. Please check it regularly.** I will expect you to be able to summarize and critically evaluate the main arguments and results. You will be tested on this in the exams. They are meant to be more comprehensive than the material presented in class and complementary.

Lectures and Tutorials

Lectures are on Thursdays. You can attend either section's lecture. Handouts will be posted on Portal. They are **not lecture notes**. I will also *not* be posting marked up slides¹. Please bring the handouts to class and supplement them with your own notes. The Midterm is on a Friday for the entire 2 hour block. Other Fridays will be used for tutorials (10-11am) and/or additional lecture time. Check the schedule for Fridays on the [website](#). It will be updated regularly.

¹ This is for pedagogical reasons – Active class participation and making your own lecture notes leads to better learning outcomes.

Prerequisites

You will be dropped from the course if you do not have the required prerequisites listed at: http://www.artsandscience.utoronto.ca/ofr/calendar/crs_eco.htm#ECO362H1. See: <http://www.economics.utoronto.ca/index.php/index/undergraduate/load/prerequisites>
I will expect you to be comfortable with the material in the prerequisite courses.

Communication -Email, Website and Portal

We will use the website (<http://freitas.faculty.economics.utoronto.ca/eco362-2/>) to post the reading list, communicate general information and/or announcements. All course material, past exams, problem sets, assignments etc. will be posted on Portal. You are responsible for checking the website and Portal regularly. All email communication will be sent to the class list on Portal.

Questions on the material are best answered in person as they usually cannot be adequately addressed over email. Please see us during office hours or before/after class. If your email can be answered briefly, we will try to respond to within 3 business days. If you do not get a reply please check Portal/the website, syllabus or see us.

Evaluation

The grade for this class will be based on the term tests below. Please bring a non-programmable calculator and your T-card to all tests. You may be assigned extra readings and/or study materials before tests and exams.

Test	Weight		Due Date	Time	Location
Midterm	30%		4-Mar	10-12pm	
Portal Quizzes	10%		Weekly	Mon 9:00 AM	Portal
Assignment stages	0.50%	Choice:	12-Feb	10:00 AM	Portal
	0.75%	First Draft:	11-Mar	10:00 AM	Portal (Peer Scholar)
	3.50%	Peer Review:	18-Mar	10:00 AM	Portal (Peer Scholar)
	9.50%	Final Draft:	24-Mar	10:00 AM	Portal (PS+direct)+Turnitin
	0.75%	Reflection:	24-Mar	10:00 AM	Portal (Peer Scholar)
Final Exam	45%		TBA	Determined by A&S	

Midterm and Final: Exact coverage will be posted before the midterm. The final is **cumulative** and will cover all of the material from the course.

Portal quizzes

These will be due weekly and made available on Thursday, late evenings. The purpose is twofold (1) to get you actively engaged with the material as we do it in class but at the same time giving you enough time to think through your responses, maybe engage with some data and (2) to keep you up-to-date with the readings and material. This is why they will be graded coarsely, unlike exams. Due to the nature of the topics we cover, coverage can include material from the earlier weeks as well. Please keep all your class notes, handouts and readings with you when starting the quiz. You should have completed making thorough notes for the week's readings (See [Note-taking](#) by the ASC). **You have to complete the quiz once you start it** and the time allocated for each quiz will be on the quiz. **No extensions** are granted for any reason (illness, computer problems etc.) Make sure you start with enough time to finish well before the deadline. **A single make-up quiz** will be offered at the end of the course which will **substitute for the lowest two Portal quiz scores**.

Term Writing Assignment

There will be one, **individual** term writing assignment for this class. Further details will be provided on Portal. It is an essential part of the course. It will give you the opportunity to experience applying class models to real world topics. It will build analytic skills by applying your tools to more open-ended real contexts. It will help develop your communication skills by making you to explain your reasoning in words. It will be submitted in stages. Please see the

instructions on Portal for details, due dates and submission instructions. As part of this assignment you will have to provide feedback on three of your classmates' first drafts. I expect to use **Peer Scholar through Portal** for this. The final draft will need to be submitted on Portal and **Turnitin**.

First drafts submitted after the due date and time will not be accepted and you will get a grade of **zero** for the entire first draft and peer assessment part of the assignment. If you submit your **peer evaluations** after the due date and time, you will get a grade of **zero** for the peer assignment part. Final drafts and reflections submitted late are penalized at 10 percentage points (out of 100) for every 24 hours starting right after the deadline. **No extensions** are granted for any reason (illness, computer problems etc.)

Problem sets

I will occasionally post ungraded problem sets on Portal. You do not need to hand them in. You are strongly encouraged to work on them. If you have any questions on them please see us during office hours.

Re-Grades

Requests for re-grades will be accepted in writing up to two weeks after term work is returned. Fill in the regrade request form available on Portal. We will re-read your entire exam so your mark could go up or down or remain unchanged.

Course Topics

The tentative topics to be covered are listed below. **The list is subject to change during the semester.** Please check the Reading list at: <http://freitas.faculty.economics.utoronto.ca/eco362-2/#readinglist> regularly for the latest version. All the material we cover in class, tutorials, textbook (including appendices), readings, problem sets and Portal quizzes is considered testable material. Readings on JSTOR can be accessed for free if you have a UofT IP address. If you are off campus use VPN.

1. Introduction - Facts: Weil Chs 1 & 2, Math tools handout
 - Amartya Sen, "[Quality of Life: India vs. China](#)" New York Review of Books, May 12, 2011
2. The Solow Model: Weil Chs 3, 4.2 & 8 appendix, handout
3. The Malthus Model and Population Growth: Weil Ch 4, handout
4. Human Capital: Weil Ch 6, handout
5. Growth and Development Accounting: Weil Ch 7, handout
 - Paul Krugman, "[The Myth of Asia's Miracle](#)" Foreign Affairs, Nov/Dec 1994
6. Technology Growth: Weil Chs 8 & 9, handout
7. Efficiency: Weil Ch 10, handout
8. Inequality: Weil Ch 13, handout
9. Institutions :Weil Ch 12, 15.1-15.2, handout
 - Acemoglu, Daron, Simon Johnson, and James Robinson. "[The Colonial Origins of Comparative Development: An Empirical Investigation](#)" The American Economic Review Vol. 91, No. 5 (Dec., 2001), pp. 1369-1401
 - Romer, Paul. "[For richer, for poorer.](#)" *Prospect Magazine* (2010)
 - Sachs, Jeffrey D. "[Institutions Matter, but Not for Everything](#)" *Finance and Development* 40, no. 2 (2003): 38-41.
10. Growth and Natural Resources: Weil Ch 16.1-16.2 , handout

Missed Midterm²

Missing a midterm does not automatically mean that a make-up test will count for your grade. You need to follow ALL the steps below. If this is an issue that lasts for more than a few days contact your College Registrar immediately. Make-up tests are **cumulative** and will be scheduled at a date and time chosen by the professor with as little as one business days notice by email.

Step 1: Send an email to the professor that follows the format below:

1. It is sent BEFORE the midterm
2. It is sent from your official University of Toronto email address (no gmail etc. email ids)
3. The subject line should be "Eco 362: Winter 2016 Missed Midterm"
4. It explains concisely (less than 150 words) why you are not able to take the exam – keep the tone appropriate to an academic setting.
5. It lists all your current courses and professors with their contact information.
6. It lists all the course work due for all your classes the week of the class midterm.
7. It explains briefly all the effort you have undertaken to study for Eco 362 and your other courses the week of the midterm or says that you have not done anything.
8. The email should end with the following sentence exactly as written "I understand that it is a punishable academic offence to present false or misleading information in support of my request for accommodation for missed term work"
9. This sentence should be followed by your FULL NAME and STUDENT NUMBER.
10. If documentation is required, I will ask you for it.

Step 2: Check your email for a response with the make-up information. You will get an email within 3 business days of the missed exam. Note: I may follow up with your other professors.

Step 3: Take the make-up exam. As per university policy, there is no "make-up" for the make-up test. You will get zero if you miss the make-up exam.

NOTE: The final decision to accept any excuse lies with me or the undergraduate chair. You may get your grades for the make-up *after* the drop deadline. The format may be different from the class test.

Academic Integrity and Resources

Academic Integrity is taken very seriously. You are expected to know the University of Toronto's [Code of Behavior on Academic Matters](#). Please see: <http://www.artsci.utoronto.ca/osai> for more details.

All suspected cases of academic dishonesty will be reported to the Department of Economics and OSAI and the consequences can be severe. Being unaware of the policies or what constitutes plagiarism is not a defense. Your writing assignments must be submitted to **Turnitin.com**. The University policy on it is:

"Normally, students will be required to submit their course essays to Turnitin.com for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin.com service are described on the Turnitin.com web site".

If you need accessibility services/accommodation see: <http://www.accessibility.utoronto.ca/>. If you need help, please get it as soon as possible. Resources available at the UofT are listed at: <http://life.utoronto.ca/get-smarter/academic-support/>. For course related issues, please get in touch with us and your College Registrar. If you are having longer run issues or issues outside our course please contact your College Registrar immediately - <http://life.utoronto.ca/get-help/your-registrar/>.

² See Evaluation/Portal quizzes for makeup policy on missed quizzes