

Eco 362H1: Economic Growth, Summer 2016  
Prof. Freitas, Department of Economics, University of Toronto

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### Class Information

**Meeting times:** Tue, Wed, Thu 2-4pm (**location:** LM 155)

**Office hours:** Type (location) – day, time

Drop in (GE 213) – Mon 11-12.30pm

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

**Contact:** 416-978-2268, [k.freitas@utoronto.ca](mailto:k.freitas@utoronto.ca)

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

### Course Materials - *Treat the lectures and readings as complements.*

**Recommended Textbook:** *Economic Growth*, by David N Weil, Pearson, 3<sup>rd</sup> ed. (1 copy on course reserves at Robarts). You can use the 2<sup>nd</sup> ed. if you note any differences between the editions.

**Required Readings:** They are listed on the [website](#) and are considered testable material. **The Reading List will be updated throughout the course. Please check it regularly.**

### Lectures - Schedule and Handouts

We will treat all three days as potential lecture time, with the pattern varying. The exact schedule and topic coverage is listed on the [website](#) where it will be updated regularly. Lecture Handouts will be posted on Portal. They are **not lecture notes**. By design, they will be concise and you will need to supplement them with your own notes during lecture. This is done to improve your learning (Stefanou, Hoffman & Vielee, 2008)<sup>1</sup>

### Course Description and Learning Objectives

This course will be structured around three main motivating questions - (1) Why are some countries richer than others? (2) Why do some countries grow faster than others? (3) How can we understand the transition to sustained economic growth? We will build models to understand long-run income changes at the macro level. They will help us identify factors important for growth, understand observed patterns and make predictions. Topics covered include factor accumulation, human capital, technology, efficiency, institutions and natural resources.

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

- Setup and mathematically work through a set of growth models.
- For each model, explain
  - The intuition behind the basic mechanisms (not a description of the math derivation)
  - How and why the predictions depend on particular assumptions and the limitations of the analysis
- Apply the growth framework to a given close ended scenario - Given a growth model use it correctly to make predictions of income growth/level changes in response to a change.
- Analyze a real world open-ended policy question, independently and in-depth by
  - Choosing an appropriate model and defending their choice.
  - Clearly identifying the impact of the policy within the model and correctly using the model to make predictions.
  - Using evidence effectively to back up analysis.
  - Providing constructive feedback to peers on their analysis and by reflecting on this process improve their analysis.
- Communicate critical analysis precisely in clear English to a wide range of audiences.
- Explain the different viewpoints and be able to take a well-articulated stand on recent debates in the field.

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<sup>1</sup> Stefanou, C., Hoffman, L., & Vielee, N. (2008). Note-taking in the college classroom as evidence of generative learning. *Learning Environments Research*, 11(1), 1-17.

## How we will Achieve These Learning Objectives

To achieve these learning objectives you will need to engage actively with the material and not just listen to me talk. The class and term work will support you, giving you plenty of opportunities to practice with regular feedback.

This class is about growth models. Math is necessary because it disciplines our thinking and ensures that our logic is consistent. This means working through the model derivations and equations is important. Before class, read through the required material and work through the Math. In class, we will focus on application. *Together*, we will take apart the models, examine essential features, assumptions, limitations etc. using math, intuition and graphs.

Applying and using the models for analysis requires a deeper conceptual understanding. Writing is an effective way to achieve this (Crowe & Youga, 1986)<sup>2</sup>. The weekly portal quizzes will get you to explain your understanding of concepts. This keeps you on track with the material, builds your intuition and gives you regular feedback. The problem sets give you examples to work through. The term assignment helps you work on your analysis and communication skills, helping you see the applications of concepts outside of class. It has a feedback stage as well to help you maximize your conceptual learning. The reading list has interesting extras for every topic to make the topics relevant to you. This semester we will try using a class wiki. Use it to practice application skills. You can develop an effective study resource with your classmates while working on your ability to explain, critically analyze and defend your reasoning.

## 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.

Term Test	Weight		Due Date	Time	Location
Portal Quizzes	10%		Weekly	9:00 AM	Portal
Midterm	35%		26-May	2-4pm	LM 155
Assignment stages	1.00%	First Draft:	6-Jun	10:00 AM	Portal (Peer Scholar)
	3.50%	Peer Review:	9-Jun	10:00 AM	Portal (Peer Scholar)
	9.50%	Final Draft:	15-Jun	10:00 AM	Portal (PS)+Turnitin
	1.00%	Reflection:	15-Jun	10:00 AM	Portal (Peer Scholar)
Final Exam	40%			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

*Portal quizzes:* These will be due weekly, due dates on quiz and made available on Thursday, late evening. 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 your lowest Portal quiz scores**.

*Term Writing Assignment:* There will be one, **individual** term writing assignment for this class to be submitted in stages. Please see the instructions on Portal for details and submission instructions. 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

<sup>2</sup> Crowe, D., & Youga, J. (1986). Using writing as a tool for learning economics. *The Journal of Economic Education*, 17(3), 218-222.

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 me 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.

## Prerequisites

You will be dropped from the course if you do not have the required prerequisites.

- [http://www.artsandscience.utoronto.ca/ofr/calendar/crs\\_eco.htm#ECO362H1](http://www.artsandscience.utoronto.ca/ofr/calendar/crs_eco.htm#ECO362H1).
- <http://www.economics.utoronto.ca/index.php/index/undergraduate/load/prerequisites>

## Communication -Email, Website and Portal

I will use the website (<http://freitas.faculty.economics.utoronto.ca/eco362-2/>) to post the reading list, communicate general information and 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 me during office hours or before/after class. If your email can be answered briefly, I will try to respond to within 3 business days. If you do not get a reply please check Portal/the website, syllabus or see me.

## 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. You should be able to access all readings on the list for free, some of them only if you have a UofT IP address. If you are off campus use VPN. Note: Readings are meant to be more comprehensive than what is presented during lecture. I will expect you to critically evaluate the main arguments and results.

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. Endogenous Growth: Weil Chs 8 & 9, handout
7. Efficiency: Weil Ch 10, handout
8. Institutions and Geography: 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.
9. Growth and Natural Resources: Weil Ch 16.1-16.2 , handout
10. Future of Growth: Lecture slides.

## Missed Midterm<sup>3</sup>

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: Summer 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/>.

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<sup>3</sup> See Evaluation/Portal quizzes for makeup policy on missed quizzes