# ECO362H1F – Economic Growth
## Fall, 2017
### Department of Economics, University of Toronto

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**Instructor**: Stephen Ayerst
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**Teaching Assistant**: Congfei Li
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**Lecture Times**: Wednesday 11am-1pm (SS1087)
**Tutorial Times**: Wednesday 10am - 11am (SS1087)
(Note: the first lecture (Sept. 13) will begin at 10am and there will be no tutorial for this week)

**Course Description**: 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.

**Exclusion**:ECO352H1, ECO360Y1, ECO362H5.
**Prerequisite**: ECO200Y1/ECO204Y1/ECO206Y1, ECO202Y1/ECO208Y1/ECO209Y1, ECO220Y1/ECO227Y1/(STA247H1,STA248H1)/(STA250H1/STA255H1)/(STA257H1,STA261H1).

I expect that you will be able to perform basic calculus, including simple partial and total derviatives. It is your responsibility to make sure you satisfy the prerequisites. The administration is very strict and does not allow me to issue waivers to students who do not have all of the prerequisites.

**Textbook**: There is no required textbook. The recommended textbook for this course is *Economic Growth* by David N. Weil (2nd or 3rd edition). You may also use the book *Introduction to Economic Growth* by Charles I. Jones (3rd edition) for reference.

**Evaluation**: Your grade in this course is based on an assignment, a midterm test and a final exam. Your grade will be calculated as

$$\text{Grade} = 20\% * \text{Assignment} + 20\% * \text{Midterm} + 40\% * \text{Final} + 20\% * \max\{\text{Midterm}, \text{Final}\}$$

**Assignment**: There will be one assignment due at the end of the semester. The details and due date of the assignment will be announced in class. A penalty of 10% per day will be applied to any late assignments.

**Homework**: I will post homework problems over the semester. They will not be graded, but will be discussed in the tutorials. Tutorials will be effective only if you have tried the problems beforehand.

**Email Policy**: I will try to answer any emails within 24 hours. I will only answer questions by email that can be answered in a few sentences. For detailed questions, please come to my (or the TA's) office hours. I only answer emails sent from an official UofT email account.

**Missing the Midterm**: You need to email me BEFORE the exam using your official UofT email explaining the reason of your absense. In case of extreme emergencies (e.g. traffic accident right before the

test) you have till 24 hours after the midterm to send the email. The email should end with the following sentence "I understand that is a punishable academic offence to present false or misleading information in support of my request for accommodation for missed term work" followed by your name and student number. If your reason is proper and you can support it with certification, then a make-up test will be offered.

**Regrading**: Requests for re-grades will be accepted in writing up to one week after each exam or assignment is returned. When requesting a re-grade, it is important to attach a detailed note on the front indicating the problem you want us to take a look at, as well as why you think your grade should be changed. We re-grade entire exams, no just individual questions, so your grade could go up or down.

**Course Outline** (tentative):

1. Course Objective and Basic Facts (Sept. 13)

2. The Solow Growth Model (Sept. 13 - Sept. 20)

3. The Neoclassical Growth Model and General Equilibrium (Sept. 27 - Oct. 4)

4. Human Capital (Oct. 11)

5. Growth and Development Accounting (Oct. 18)

6. Endogenous Growth (time premitting)

   **MIDTERM** (tentatively Oct. 25)

7. Structural Transformation (Nov. 1 - Nov. 8)

8. Firm Heterogeneity (Nov. 15)

9. Misallocation (Nov. 22)

10. Technology Adoption (Nov. 29)