

Outline:

Endogenous Growth Through Factor Accumulation, Part I: Physical Capital

I. Conditions for Endogenous Growth: One Sector Models

- A. Exogenous savings rate (B&S Section 1.3)
- B. Endogenous savings rate (B&S Section 4.1)

II. Theories of Endogenous Growth

- A. Learning-By-Doing
 - i. Evidence
 - ii. The Market Solution
 - iii. Social Optimum

- B. Public Investments
 - i. Evidence
 - ii. The Market Solution
 - iii. Social Optimum

III. Issues related to Endogenous Growth Theory, and AK models

- A. “The Jones Critique of AK models” (Jones, 1995, QJE; McGatten, 1998)
- B. Endogenous Policies (Alesina and Rodrik, QJE, 1994)