

Course description for

Economic Growth

Edition: Courses Spring 2004 Soc. Sc.

Course title: Economic Growth

ECTS Credits: 8 ECTS

Duration: Spring term

Department: Institute of Economics

Contact person: Christian Groth, e-mail: chr.groth@econ.ku.dk

Day and time: Wednesday and Friday 10-12 in Metro 11

Teaching period: 15 weeks

Teaching method: Lectures and term paper (mandatory)

Aim: The object of the course is to study what factors determine productivity and productivity growth in the longer run. We endogenize productivity growth via human capital accumulation and endogenous research activity. We will also address models and current issues in topics such as natural resources, open economy, inequality, technology transfer, poverty traps, and others. There will be an emphasis on formal models (understanding them, being able to evaluate them from both a theoretical and empirical perspective, and to use them to analyse specific questions). Calculus intensity is high.

Themes:

1. How is the world income distribution evolving?
2. Do countries converge towards steady state paths and, if so, how fast?
3. How rapidly do marginal returns to inputs like physical capital diminish?
4. Are poor countries poor mainly because they lack inputs, or technical knowledge, or growth supporting institutions?
5. Why do growth rates differ over long periods?
6. What happens in the very long run?
7. Are there limits to growth?

Prerequisites: Knowledge of basic macro and growth models at a level corresponding to David Romer, *Advanced Macroeconomics*, and of mathematical techniques such as differential equations, phase diagrams, and dynamic optimization (optimal control theory). Useful reading before the course is taken includes the mentioned book by David Romer (chapters 1-3) and for example Charles Jones, *Introduction to Economic Growth*, 2. ed., Norton 2002.

Assessment: Written closed-book examination (conditional on the term paper being accepted)

Course homepage: <http://www.econ.ku.dk/okocg/>

(available February 3rd)

Examination requirements:

Barro and Sala-I Martin: *Economic Growth*, 2. ed., MIT Press 2003, selected chapters, journal articles, lecture notes.

Teaching language: Can be English

Last updated: January 30, 2004.