This course explores

(i) selected contributions to the mainstream literature on economic growth in greater detail than could be done in Macro 1

(ii) some of the debates within the (post-) Keynesian and (neo-) Marxian traditions in greater detail than could be done in Macro 3

(iii) themes from traditional development economics, including theories of
  a. uneven development
  b. coordination problems and the need for a ‘big push’
  c. balance of payments constrained growth
  d. the role of industrial policy, aggregate demand and the real exchange rate in the structural transformation of dual economies

Evaluation will be based on (i) 4 assignments, (ii) in-class presentations, and (iii) a term paper. The weights will be 40%, 20%, and 40%, respectively.

Outline:
The readings below are preliminary. We’ll only read a subset of these, the precise choice depending on participants’ interests.

I Introduction
Stylized facts and key questions

Readings:
II "New growth" (3-4 weeks)

a) Ramsey-Solow and AK growth model recap
b) R&D based models
c) Human-capital based models
d) Institutions and social infrastructure

Readings:


III Post-Keynesian and neo-Marxian debates (3-4 weeks)

a) Utilization rates and the specification of accumulation
b) Distribution-led growth and the supply side
c) Autonomous demand and Sraffian supermultipliers

Readings:


IV Economic development and structural transformation (5-6 weeks)

a) Cumulative causation; Kaldorian models with learning by doing
b) ‘Big push’ in closed and open economies
c) Industrial policy, aggregate demand and the real exchange rates in dual economies

Readings:


V Conclusions: what have we learned? (1 week)