

Economic Growth for Advanced Students

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1 General Information

This course covers advanced topics on economic growth. After a quick review of neoclassical growth theory and endogenous growth theory, we will cover a few modern topics: firm dynamics, inequality and factor shares and environmental sustainability.

2 Lecture Schedule

Date	Topic
14.10.2019	A quick review of Neoclassical Growth
14.10.2019	Endogenous growth
15.10.2019	Schumpeterian Growth
15.10.2019	Firm Dynamics
16.10.2019	Capital and labor
16.10.2019	Directed technical change and inequality
17.10.2019	Modeling automation
17.10.2019	Measuring automation
18.10.2019	Environment and Growth
18.10.2019	Environment and Innovation

3 Presentation and Lecture Material

The following textbooks are references in Economic Growth and will be useful for the class.

- Acemoglu D.: *Introduction to Modern Economic Growth* Princeton University Press, Princeton NJ, 2009 (DA).

- Aghion P. and P. Howitt *The Economics of Growth* MIT Press, Cambridge MA, 2009 (AH).

4 Neoclassical Growth, Endogenous Growth and Schumpeterian Growth

- DA chapters 8, 13 and 14.
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4.1 Firm Dynamics

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- Garcia-Macia, D., C. Hsieh and P. Klenow (2016), “How Destructive is Innovation?”. *mimeo*
- Hopenhayn, H. (1992), “Entry, Exit and Firm Dynamics in Long-run Equilibrium”, *Econometrica*, 60 (5): 1127-1150.
- Klette, T. and S. Kortum (2004), “Innovating Firms and Aggregate Innovation.” *Journal of Political Economy*, 112: 986-1018.
- Lentz, R. and D. Mortensen (2008), “An Empirical Model of Growth through Product Innovation.” *Econometrica*, 76: 1317-1373.
- Luttmer, E. (2007), “Selection, Growth, and the Size Distribution of Firms,” *Quarterly Journal of Economics*, 122: 1103-1144.
- Luttmer, E. (2011), “On the Mechanics of Firm Growth,” *Review of Economic Studies*, 78 (3): 1042-1068.

4.2 Capital and labor, automation and inequality

- Acemoglu, D. (1998), “Why Do New Technologies Complement Skills? Directed Technical Change and Wage Inequality”, *Quarterly Journal of Economics*, 113: 1055-1089.

- Acemoglu, D. (2002), “Directed Technical Change”, *Review of Economic Studies*, 69: 781-810.
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- Jones, C. (2015), “Pareto and Piketty: The Macroeconomics of Top Income and Wealth Inequality”, *The Journal of Economic Perspectives*, 29 (1): 29-46.
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4.3 Environment

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