

Course Calendar: ECGA 6470:

Last updated: May 9, 2011

Economic Growth & Development Spring 2011

[see course web page for course overview & some readings](#)

Case study presentations: May 10th 7:30pm 307 Dealy (unless occupied) Susan Kiba, South Africa, Helena Glebocki Poland? Review session for final exam. 6:30pm Wednesday, May 11th (before final exam) Alternate final exam date: Monday May 16th 7:30pm (let me know if you plan to use 2nd exam date).

See final exam [review questions](#) (*please use version 3, print and bring exam to class, note questions 1-3 have*)

April 27th Homework Assignments: (1) pick a country for your case study, pull data on growth and sigma/beta convergence during the past 20 years) List some references of previous growth diagnostic type case studies for your country, if possible. (2) using the WEO [April 2011 database](#), plot per capita income (horizontal axis) against growth rate per capita for 2007-2011 (average both, use \$PPP income per capita). Did the world experience absolute convergence during this period (fit a regression line in excel if possible, print the t and R^2). Or plot a growth incidence curve for a region or the world, using per capita income PPP times population to create deciles for the world regional economy.

Take home midterm: Available early AM March 25th, please turn in paper or electronic form April 4th. See the [take home midterm exam](#) version 2 now due April 20th (see the top of exam for instructions).

Problems due March 2nd: answer questions [2.1, 2.2, 2.4, and 2.6 from problem set #2](#) if you can. Call or email with questions, in class is best.

Course readings ftp: type [ftp.povertylectures.com](ftp://ftp.povertylectures.com) into any web browser (chrome or explorer or firefox), user name: econ6470 password: Fall2011

See below for what the reader looks like in chrome or firefox (similar in explorer as well). For Jones chapters, see core readings/book excerpts.

Wednesday Feb 2nd: read [Sachs et. al. article on poverty traps](#) and Jones [Chapter 1](#) and [chapter 2](#) (see also [Appendices 1-3](#)) and see the readings included in the text of questions 1-3 [Problem Set 1A](#). *Please turn in a brief typed answer to question 2 on institutions and growth from [Problem set 1A](#).*

Wednesday February 9th: please turn in brief typed answers to #1.1-1.3 from [PS #1A](#). Text should be typed, but figures and equations can be drawn in by hand if necessary.

Important: label every page of every problem set you have with the problem set and question number, example: 1.3a and 2.1c with the first is the PS number and the second is the question number, and the letter is the section number you are answering. Label every typed page with your name and the question answered.

[Three Growth Models handout](#) [Barro's AK Model with Government](#) [Problem Set #2](#) support files: [Chapter 3, Ex 1 page 75 spreadsheet](#) [Jones Table C.1 Excel file](#) optional [Eviews Workfile](#)

	Post-Crisis Trends							
Source: World Bank (2010) Global Monitoring Report 2010: The MDGs after the Crisis	Percentage of the population living on less than \$1.25/day				Number of people living on less than \$1.25/day			
Region or country	1990	2005	2015	2020	1990	2005	2015	2020
East Asia and the Pacific	55	17	5.9	4.0	873	317	120	83
China	60	16	5.1	4.0	683	208	70	56
Europe and Central Asia	2	3.7	1.7	1.2	9.0	16.0	7.0	5.0
Latin America & Caribbean	11.3	8.2	5.0	4.3	50	45	30	27
Middle East and North Africa	4.3	3.6	1.8	1.5	10	11	6.0	6.0
South Asia	52	40	23	19	579	595	388	352
India	51	42	24	20	435	456	295	268
Sub-Saharan Africa	58	51	38	33	296	387	366	352
Total	42	25	15	13	1,817	1,371	918	826

www.worldbank.org/gmr2010

2011 Growth puzzles:

1. Why did developing countries weather recent global financial crisis so much better than advanced countries? Preparation, lack of integration, ODA/IMF-World Bank assistance; or just good luck (commodity prices...)
2. Which countries fared best post-crisis, will world trade, growth and capital account imbalances remerge? Do low interest rates always cause bubbles?
3. Is China's strong recovery another bubble, another Asian Myth (Krugman, 1994)? Would China be better off if it stimulates domestic demand and lets its exchange rate appreciate?
4. Climate change and food prices: a recipe for malnutrition and immigration? Why are food and commodity prices so high and inflation so low? Can this combination be sustained?
5. New Left regimes in LatAm, have they found a new recipe for redistribution and growth.
6. Is growth really pro-poor? update on MDGs for 2015 world economic poverty and inequality...

Growth Miracles

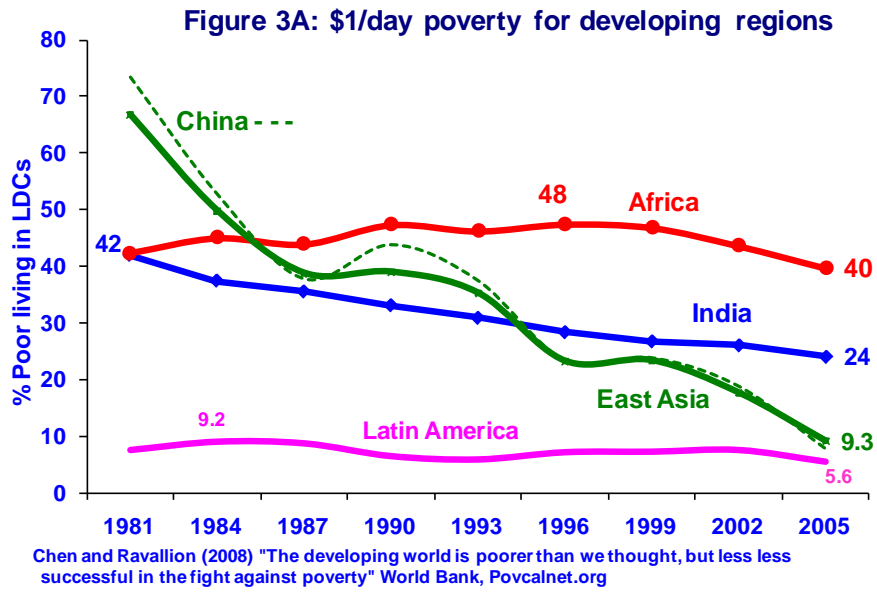
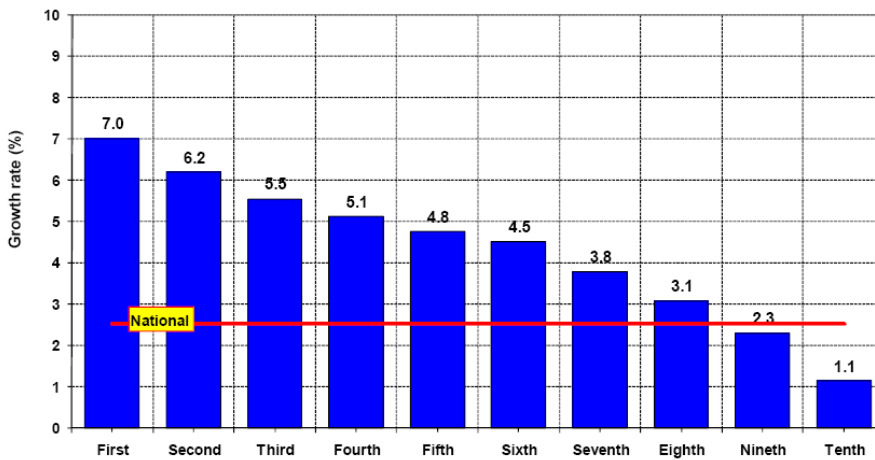


Figure 10

Figure 2.4: Annual growth rate for per capita income in Brazil, by percentile, 2001-2007



Source: Estimates based on Pesquisa Nacional por Amostra de Domicílios (PNAD) - 2001 and 2007.

Source: Barros et al. (2009).

Little miracles? definitely not bubbles

Countries ranked by Total Factor Productivity Growth 1993-2003								
Source: Bosworth and Collins (2006)	GDP Growth	Output per worker	Capital Contributes	Human Capital	TFP Growth	Labor force Growth	Capital Stock Growth	Education Contributes
China	8.9%	7.9%	3.6%	0.29%	3.8%	1.0%	11.6%	0.29%
Mozambique	7.9%	5.6%	1.8%	0.12%	3.7%	2.1%	7.3%	0.12%
Ireland	8.1%	3.8%	0.4%	0.26%	3.1%	4.2%	5.5%	0.26%
Uganda	6.8%	4.3%	1.2%	0.22%	2.9%	2.4%	5.8%	0.22%
India	6.4%	4.8%	1.7%	0.46%	2.6%	1.6%	6.5%	0.46%
Finland	3.6%	2.2%	-0.1%	0.32%	2.1%	1.3%	0.9%	0.32%
Tanzania	4.6%	1.9%	-0.1%	0.13%	1.9%	2.6%	2.4%	0.13%
Greece	3.3%	2.6%	0.6%	0.35%	1.7%	0.7%	2.5%	0.35%
Cameroon	3.8%	1.1%	-0.7%	0.23%	1.6%	2.7%	0.7%	0.23%
Sweden	2.9%	2.2%	0.3%	0.34%	1.6%	0.7%	1.6%	0.34%
Malawi	2.5%	0.6%	-1.2%	0.35%	1.5%	1.9%	-1.6%	0.35%
Norway	3.2%	1.9%	0.3%	0.21%	1.4%	1.2%	2.1%	0.21%
Iceland	3.5%	2.1%	0.5%	0.31%	1.3%	1.4%	2.8%	0.31%
Dominican Rep	5.4%	2.7%	1.2%	0.30%	1.2%	2.6%	6.2%	0.30%
Senegal	4.8%	2.0%	0.6%	0.20%	1.1%	2.7%	4.6%	0.20%
Ethiopia	4.2%	1.8%	0.4%	0.28%	1.1%	2.4%	3.7%	0.28%
Rwanda	2.6%	1.3%	0.0%	0.20%	1.1%	1.3%	1.3%	0.20%
Denmark	2.5%	1.9%	0.7%	0.22%	1.0%	0.5%	2.5%	0.22%
Korea	5.3%	3.5%	2.1%	0.44%	1.0%	1.7%	7.9%	0.44%
Tunisia	4.6%	1.7%	0.3%	0.43%	0.9%	2.8%	3.8%	0.43%
USA	3.3%	1.9%	0.9%	0.11%	0.9%	1.4%	4.1%	0.11%

Index of /Growth&DevelReader/ see ftp.povertylectures.com

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CoreReadings/		1/28/11 12:26:00 PM
CountryStudies/		1/28/11 12:31:00 PM
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ECGA6470WebPageFeb07.pdf	21.5 MB	1/31/07 1:23:00 PM
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April 2011

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