Course Syllabus
ECON 4760
Economic Growth and Inequality
3.0 credit hours

(Last updated: 8/23/2017)

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Office Hours: Tuesday 2:00pm – 4:00pm, or by appointment

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Office Hours: By appointment

Course Overview

This is a special topics course on economic growth and inequality. Economic growth---particularly the determinants of the growth path of individual countries, and their impact on income and growth disparities across countries---has been a major focus of economics over the past sixty years. Within-country economic inequality, on the other hand, has been thought of as either a reflection of dysfunctional institutions in less prosperous nations, or, in the case of developed countries, the inevitable byproduct of a well-functioning market economy that rewards effort and talent. Recent experience in the United States and other advanced economies, however, has challenged this view of predominantly benign inequality, spurring policy debate and a significant body of research. In this course, we will discuss the sources of growth and inequality, both across and within countries, as well as the joint evolution of economic prosperity and inequality as economies develop. Special emphasis will be given to the roles of physical and human capital, technological progress, as well as institutions.

Pre-Requisites/Co-Requisites:

Some of the material we will cover in class assumes at least some knowledge of intermediate micro (ECON 3310) and some understanding of basic math, such as calculating percentage changes, as well as reading graphs in two dimensions, would prove extremely helpful. Some familiarity with basic algebra is also useful.
Required Texts (and Related Materials):

There are two required textbooks for this course. The combined cost of these two books is under $30 through Amazon.com (hyperlinks to purchase through Amazon are provided in the pdf version of this syllabus).


Course Objectives:

Learning Outcomes for ECON 4760 (Economic Growth and Inequality):

1. The student should be able to identify the main sources of economic growth, and how they interplay with each other in the process of growth.

2. The student should be able to explain the basic ideas of why some nations prosper while some others lag behind.

3. The student should be able to identify the main sources of inequality across and within countries.

4. The student should be to explain what sources of inequality are considered benign and which are not.

5. The student should be able to describe effects of government policies, e.g. taxes and subsidies, in shaping both economic growth and inequality.

Fogelman College: Learning Outcomes for Your Degree

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<th>BBA</th>
<th><a href="http://www.fcbeassessment.net/LearningOutcomes/BBADegreeLearningOutcomes.pdf">http://www.fcbeassessment.net/LearningOutcomes/BBADegreeLearningOutcomes.pdf</a></th>
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Grading and Evaluation Criteria

Your final grade will be determined as follows:

- Class attendance: 10%
- Homework: 20%
- Midterm Exams: 40%
- Final Presentation: 30%

There will be two take-home midterm exams. The due dates for the exams are: October 13, and November 22. All assignments and take-home exams must be typed.

The assignments consist of analyzing various readings. For each reading, I will present a set of questions that you should answer in your analysis. Due dates will be established based on the speed at which we are able to cover each topic, but you will have at least one week to complete each assignment.

Final presentations will take place in the last two weeks of classes. You can form groups of up to three members for your final presentation. Slots will be assigned on a first come, first served basis. Once you have formed your group, please email me with two potential dates, starting with your first pick. I will then assign you a topic and will provide you with a “jump-start” set of readings and sources, which can serve as the basis for your presentation.

Final Course Grades

- 85-100: A
- 75-84: B
- 65-74: C
- 50-64: D
- 0-49: F

Course Topics

1. Growth, development and inequality: A helicopter tour
   - AR, Ch. 1.
• Acemoglu, Daron. Introduction to Modern Economic Growth, Ch. 1.

• Becker, Gary S., Bad and Good Inequality. The Becker-Posner Blog, 01/30/2011.


• TP, Introduction.

2. Engines of growth

• Capital: Physical and Human

• Institutions
  – AR, Ch. 7-9 and Ch. 11.

3. Inequality

• Skill-biased technical change and the rise in income inequality
  – TP, Ch. 2.

• Wealth inequality and social mobility
  – Becker, Gary S. Meritocracies and Intergeneration Mobility. The Becker-Posner Blog, 01/01/2013.
– TP, Ch. 7, Ch.10-12.

4. The political economy of growth and inequality

• AR, Ch. 13-15.

• TP, Ch. 13-15

**Schedule of Course**

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<tr>
<th>Week</th>
<th>Meeting #</th>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>8</td>
<td>15</td>
<td>18-Oct</td>
<td>Exam I due – no meeting</td>
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<tr>
<td>13</td>
<td>23</td>
<td>20-Nov</td>
<td>Exam II due – no meeting</td>
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<tr>
<td>14-15</td>
<td>24-26</td>
<td>27-Nov-4-Dec</td>
<td>Final Presentations</td>
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**Final Exam Schedule**

There is no final exam for this course.

**Course Policies**

E-MAIL:
University e-mail is the preferred method of communication outside of class time. For questions concerning course concepts required to complete assignments, it is expected that you exhaust all resources on your own before contacting the course TAs or myself. You should find the resources that complement the textbook adequately helpful to complete assignments as well as discussions with classmates, but please do not hesitate to contact us if you feel you need clarification on a topic or assignment.

**Attendance:**

You are expected to attend class and participate in class discussions. A more detailed description of the University’s attendance policy, including information about adding and dropping courses, can be found at [memphis.edu/ugcatalog/acad_reg/attendance.php](http://memphis.edu/ugcatalog/acad_reg/attendance.php).

**Academic Integrity:**

It is the student’s responsibility to know and adhere to the policies and provisions of the University’s code of conduct concerning academic integrity. Any misstep not in accordance with the University’s policy will be subject to the disciplinary procedures outlined by the University. You may access the FCBE’s description of academic integrity at [memphis.edu/fcbe/students/integrity.php](http://memphis.edu/fcbe/students/integrity.php). Note that using a “Solutions Manual” is considered cheating. Should we have evidence that using a “Solutions Manual” has occurred, we may take steps as described on the University’s [Office of Student Conduct](http://www.memphis.edu/ods) website.

**Late Assignments:**

No late assignments or exams will be accepted.

**Syllabus Changes:**

In the event that changes need to be made to the syllabus, students will be notified in class and via university e-mail, if possible.

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**Student Services**

Please access the [FCBE Student Services](http://www.memphis.edu/fcbe) page for information about:

- Students with Disabilities
- Tutoring and other Academic Assistance
- Advising Services for Fogelman Students
- Technical Assistance