

Topics in Macroeconomics Spring 2005

Professor: Todd Keister

Telephone: 5628-4197
e-mail: keister@itam.mx

The Macroeconomics of Development

Objective: This is a research course that will focus on the issue of economic development from a macroeconomic perspective. We will examine theories of the causes of the differences in per-capita income across countries, and of the effects of government policies on the level of development. The focus will be on reading and understanding recent papers in the literature. The course will require substantial time and effort from students. As described below, students will be required to write a paper, give in-class presentations, and participate actively in class discussions.

List of topics that *may* be covered:

- Technology adoption and technology transfer
- Financial markets and development
- Foreign aid and development
- Increasing returns and externalities
- Human capital and development
- Inequality and development
- Institutions and growth

Course Prerequisite: All students must have successfully passed Dynamic Macroeconomics I

Course Requirements: Course grades will be based on performance in the following three areas:

1. A written paper: Each student will write a paper on a topic related to the course. The paper can either be (i) a detailed review of the literature on a specific issue, or (ii) an original research paper. *All paper topics must be approved by me in advance.* More specific guidelines for writing this paper will be discussed in class. This will be a difficult and time-consuming task, and students are advised to begin thinking about a topic right away.
2. In-class presentations: Each student will give two presentations in class. The first will be based on an assigned paper, and should give the class an understanding of both *why* the paper was written and *how* the author(s) makes the point (the structure of the model, etc.). The second presentation will be related to the student's own written paper; the format for this presentation will be discussed in class.
3. Class participation: Students are expected to read the assigned papers *before* each class and to actively participate in class discussions. Class attendance is mandatory.