

## **HU 405: Economic Growth**

Contact Hours- 04 (per week)

Examination Duration- 03

Credits- 04 (4-0-0)

**Objective:** The course begins with a discussion of alternative conceptions of development and their justification. It then proceeds to aggregate models of growth and cross-national comparisons of the growth experience that can help evaluate these models. The course ends by linking political institutions to growth and inequality by discussing the role of the state in economic growth and the informational and incentive problems that affect state governance.

### **Course Outline**

#### **Unit I: Conceptions of Growth Development**

Alternative measures of development, documenting the international variation in these measures, comparing development trajectories across nations and within them.

#### **Unit II: Growth Models**

The Harrod-Domar model, the Solow model and its variants, endogenous growth models and evidence on the determinants of growth.

#### **Unit III: Empirics**

Growth Accounting, Convergence

#### **Unit IV: Institutions and Economic growth**

The determinants of democracy; alternative institutional trajectories and their relationship with economic performance; within-country differences in the functioning of state institutions; state ownership and regulation; government failures and corruption.

### **Readings**

1. Debraj Ray, *Development Economics*, Oxford University Press, 2009.
2. Kaushik Basu, 2012, editor, *The New Oxford Companion to Economics in India*, Oxford University Press.
3. Daron Acemoglu and James Robinson, *Economic Origins of Dictatorship and Democracy*, Cambridge University Press, 2006.
4. Robert Putnam, *Making Democracy Work: Civic Traditions in Modern Italy*, Princeton University Press, 1994.
- 5 David Weil, *Economic Growth*.
6. Charles Johns and Vollarth