

## TEMPLATE

### Course Syllabus

Title of the course	<b>Macroeconomics II (Advanced Level)</b>		
Title of the Academic Programme	Applied Economics and Mathematic Methods Finance		
Type of the course	Elective course		
Prerequisites	Mathematics for Economists, undergraduate-level Macroeconomics, Macroeconomics I (Advanced level), Econometrics		
ECTS workload	6		
Total indicative study hours	Directed Study	Self-directed study	Total
	44	108	152
Course Outline	<p>Macroeconomics is the study of economic growth and business cycles. This Macroeconomics II course is the second in graduate Macroeconomics courses sequence and is devoted to the study of economic growth.</p> <p>To bring a student to date on the frontiers of the subject, the course introduces all the major growth paradigms (neoclassical, AK, product-variety, and Schumpeterian), with a focus on innovation-based, or “Schumpeterian” growth theory, and then shows how these paradigms can be used to analyze various aspects of the growth process and to think about the design of growth policy.</p> <p>Schumpeterian theory focuses on industrial innovations arising from R&amp;D as the mainspring of economic growth. It integrates the microeconomic theory of R&amp;D into a macroeconomic growth model, making clear who gains and who loses from technological change, and showing how long-run growth is determined by the competitive process of creative destruction.</p> <p>The course will cover the details of model building and will also survey some of the literature confronting the theory with empirical evidence. We will consider the most recent contributions and debates on growth: in particular, the literature on directed technical change and its applications to wage inequality; simple presentations of recent models of industrialization and the transition to modern economic growth; simple models of trade, competition, and growth with firm heterogeneity; the relationships between growth and finance, the recent debates on institutions versus human capital as determinants of growth.</p> <p>For each topic, we will have a brief empirical motivation with a discussion of some of the most influential papers in the recent literature. The final part of the course will focus on policy implications, including the effects of competition on growth, the effects of trade liberalization, the interaction between redistributive policies and incentives to innovate, migration and growth, between growth and education, and how to make economic growth compatible with environmental conservation.</p>		
Teaching and Learning Methods	The course consists of lectures (26 hours) and tutorials (20 hours).		

Indicative Assessment Methods and Strategy	<p>The course consists of lectures (20 hours) and tutorials (24 hours). The tutorials involve contemporary papers discussion and problems solving. Students' progress will be measured by students' in-class tests and class participation (20% of the final grade), home assignments (20%), and a final exam. The final exam will take the form of a 2-hour written test that amounts to 60% of the final grade.</p>
Readings / Indicative Learning Resources	<p><u>Mandatory</u></p> <p>Aghion P. and P. Howitt (2009). “<i>The Economics of Growth</i>,” MIT Press</p> <ul style="list-style-type: none"> <li>•</li> </ul> <p><u>Optional</u></p> <p>Aghion, Philippe and Peter Howitt: <i>Endogenous Growth Theory</i>. The MIT Press, 1998.</p> <p>Acemoglu, D. (2009) “<i>Modern Economic Growth</i>”, Princeton University Press</p> <p>Barro, Robert and Xavier Sala-i-Martin: <i>Economic Growth</i>. The MIT Press, 2nd ed., 2004.</p> <p>Blanchard, Olivier J. and Stanley Fischer: <i>Lectures on Macroeconomics</i>. MIT Press, 1989.</p> <p>Romer David: <i>Advanced Macroeconomics</i>. McGraw-Hill, 1996.</p>
Facilities, Equipment and Software	(If required)
Course Instructor	Dmitriy D. Kolyuzhnov, PhD, Associate Professor