

**UNIVERSITY OF COLORADO**  
**Department of Economics**

## REQUIRED TEXTS

Ljungqvist, Lars and Thomas J. Sargent, *Real Business Cycles*, Cambridge: MIT Press.

## BACKGROUND TEXTS

Barro, Robert J. and Xavier Sala-i-Martin, *Economic Growth*, New York: McGraw Hill.

Blanchard, Olivier J. and Stanley Fischer,

# COURSE OUTLINE

## I. INTRODUCTION

1. Background Issues
  - Blanchard and Fischer: Chapter 1
  - Romer: Introduction
2. Tools and Models
  - Dixit: Chapters 1 through 8
3. National Income Accounting for Closed Economies

## II. THE SOLOW-SWAN GROWTH MODEL: A REVIEW

1. Background Issues
2. The Solow Growth Model
  - Barro and Sala-i-Martin: Chapter 1
  - Romer: Chapter 1
  - Solow, Robert M., 1956, A Contribution to the Theory of Economic Growth, *Quarterly Journal of Economics* **70**, 65–94.

## III. TWO-PERIOD ECONOMIES

1. Consumption
  - Boileau, Lecture Notes Sections 1 through 3
2. A Pure Exchange Economy
  - Boileau, Lecture Notes Section 4
  - Farmer: Chapter 4
3. A Production Economy
  - Boileau, Lecture Notes Sections 5 and 6

## IV. INFINITE HORIZON ECONOMIES: DISCRETE TIME

1. Dynamic Programming
  - Dixit: Chapters 10 and 11
  - Ljungqvist and Sargent: Chapters 2 to 5
2. The Neoclassical Growth Model
  - Boileau, Lecture Notes.
  - Ljungqvist and Sargent: Chapter 15

## V. INFINITE HORIZON ECONOMIES: CONTINUOUS TIME

1. Hamiltonian
  - Boileau, Lecture Notes.
  - Dixit: Chapters 10 and 11
  - Intriligator: Chapters 11 to 15
2. The Neoclassical Growth Model
  - Barro and Sala-i-Martin: Chapter 2
  - Blanchard and Fischer: Chapter 2
  - Intriligator: Chapter 16
  - Romer: Chapter 2 part A

## VI. PUBLIC POLICY ISSUES IN GROWTH MODELS

1. Taxation
  - Ljungqvist and Sargent: Chapters 10 and 11
2. Endogenous Growth
  - Barro and Sala-i-Martin: Chapters 4 and 5

## VII. OVERLAPPING GENERATIONS MODELS

1. Discrete Time: OLG
  - Romer: Chapter 2 part B
2. Continuous Time: Perpetual Youth
  - Blanchard, O., 1985. Debt, Deficits, and Finite Horizon. *Journal of Political Economy* 93. 1305-1327
  - Blanchard and Fischer: Chapter 3.3

## **University Policies**

You should familiarize yourself with the following University of Colorado policies:

### **ACCOMMODATION FOR DISABILITIES**

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to your faculty member in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the Disability Services website. Contact Disability Services at 303-492-8671 or [dsinfo@colorado.edu](mailto:dsinfo@colorado.edu) for further assistance. If you have a temporary medical condition or injury, see Temporary Medical Conditions under the Students tab on the Disability Services website.

### **CLASSROOM BEHAVIOR**

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation or political philosophy. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records. For more information, see the policies on classroom behavior and the Student Code of Conduct.

### **HONOR CODE**

All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to the Honor Code. Violations of the policy may include: plagiarism, cheating, fabrication, lying, bribery, threat, unauthorized access to academic materials, clicker fraud, submitting the same or similar work in more than one course without permission from all course instructors involved, and aiding academic dishonesty. All incidents of academic misconduct will be reported to the Honor Code ([honor@colorado.edu](mailto:honor@colorado.edu)); 303-492-5550). Students who are found responsible for violating the academic integrity policy will be subject to nonacademic sanctions from the Honor Code as well as academic sanctions from the faculty member. Additional information regarding the Honor Code academic integrity policy can be found at the Honor Code Office website.

### **SEXUAL MISCONDUCT, DISCRIMINATION, HARASSMENT AND/OR RELATED RETALIATION**

The University of Colorado Boulder (CU Boulder) is committed to fostering a positive

