

Economic Growth, spring 2007

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Course web: www.econ.ku.dk/dalgaard/growth.htm

As part of “Endogenous Growth through Factor Accumulation, Part I: Physical Capital”

Detailed Outline:

Issue related to endogenous growth theory and AK models: Endogenous policy

- I. Background
- II. A simple model of endogenous policy and endogenous growth
 - a. Production
 - b. The role of government
 - c. Individuals’ problem 1: consumption/savings
 - d. Individuals’ problem 2: choosing the tax rate
 - e. Equilibrium – balanced growth
- III. The Alesina/Rodrik model
- IV. Discussion, evidence etc