

Economic Growth & Development [Fall 2021 Syllabus](#)

For Wednesday December 1st Review your country case study in class.

For Wednesday December 8th Present a core idea chapter of Aghion et al. 2021 Creative Destruction that is the power of innovation and technical change and overall growth and specifically Green Growth, see also Sachs on Sustainable Development.

DECEMBER						2021
MON	TUE	WED	THU	FRI	SAT	SUN
		1	2	3	4	5
6	7	8	9	10	11	12
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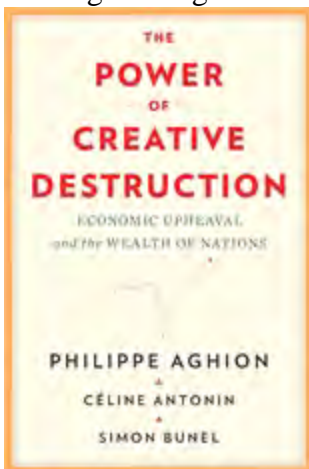
References

Aghion, Philippe, Céline Antonin, and Simon Bunel (2021) *The Power of Creative Destruction*. Harvard Univ Press,

Sachs, Jeffrey D. [The age of sustainable development](#). Columbia Univ Press, 2015. [Cited by 1801](#)
Climate Change Chapter 12 Chapter 5 Ending Extreme Poverty

Sach2015SustainableDevelopmentpp425to26.pdf

Geoengineering as a Final (desparate Option) Geoengineering as a not so bad alternative...



The Power of Creative Destruction
Economic Upheaval and the Wealth of Nations by

Philippe Aghion [Céline Antonin](#) [Simon Bunel](#)

Translated by Jodie Cohen-Tanugi

- 1. A New Paradigm
- 2. The Enigma of Takeoffs
- 3. Should We Fear Technological Revolutions?
- 4. Is Competition a Good Thing?
- [5. Innovation, Inequality, and Taxation](#)
- 6. The Secular Stagnation Debate
- 7. Convergence, Divergence, and the Middle-Income Trap
- 8. Can We Bypass Industrialization?
- **9. Green Innovation and Sustainable Growth**
- 10. Innovation: Behind the Scenes
- 11. Creative Destruction, Health, and Happiness
- 12. Financing Creative Destruction
- 13. How to Manage Globalization
- 14. The Investor State and the Insurer State

- 15. Creative Destruction and the Golden Triangle
- Conclusion: The Future of Capitalism
- Notes
- Acknowledgments
- Index

Related Links (Please watch #4 and #6 below)

1. [At ProMarket, read an excerpt from *The Power of Creative Destruction* on barriers to entry as a source of income inequality](#)
2. [On the Bloomberg podcast *Stephanomics*, listen to Philippe Aghion explain why the rise of big tech, once beneficial for innovation and growth, isn't any longer \[at 18:00\]](#)
3. [Watch Professor Aghion's May 2021 public lecture for the London School of Economics and Political Science on what drives economic growth and how to ensure prosperity under capitalism \(or listen to the podcast version\)](#)
4. [Watch Aghion's lecture, "COVID, Creative Destruction, and the Future of Capitalism," at the June 2021 Trent Economics Festival](#)
5. [Watch a May 2021 online panel discussion on *The Power of Creative Destruction* featuring Philippe Aghion, Erik Brynjolfsson \(Stanford University\), Chad Jones \(Stanford University\), Huiyu Li \(Federal Reserve Bank of San Francisco\), and Ufuk Akcigit \(University of Chicago\), hosted by Stanford University's Digital Economy Lab](#)
6. [Watch Aghion discuss *The Power of Creative Destruction* at an April 2021 online event hosted by the Peterson Institute for International Economics](#)

[Michael Kremer](#), NBER Macro Annual [Converging to Convergence](#)

My Summary of Aghion et al. 2021 Chapter 5 See below



Requires Authentication Published by [Columbia University Press](#) 2015

[The Age of Sustainable Development](#)

Jeffrey D. Sachs Preface by: Ban Ki-moon

<https://doi.org/10.7312/sach17314> OVERVIEW **CONTENTS**

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Preface Requires Authentication

Acknowledgments Requires Authentication

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2. An Unequal World Requires Authentication

3. A Brief History of Economic Development Requires Authentication

4. Why some Countries Developed while others Stayed Poor Requires Authentication

5. Ending Extreme Poverty Requires Authentication

6. Planetary Boundaries Requires Authentication

7. Social Inclusion Requires Authentication

8. Education for All Requires Authentication

9. Health for All Requires Authentication

10. Food Security Requires Authentication

11. Resilient Cities Requires Authentication

12. Climate Change Requires Authentication

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FIGURE 5.1. Income share of the top 1 percent in the United States.

Extracted and reformatted from T. Piketty, *Capital in the Twenty-First Century* (Cambridge, MA: Harvard University Press, 2014), figure 8.6. Copyright © 2014 by the President and Fellows of Harvard College.

FIGURE 5.3. The Great Gatsby curve in the United States.

Data source: R. Chetty, N. Hendren, P. Kline, and E. Saez, "Where Is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States," *Quarterly Journal of Economics* 129, no. 4 (2014): 1553-1623.

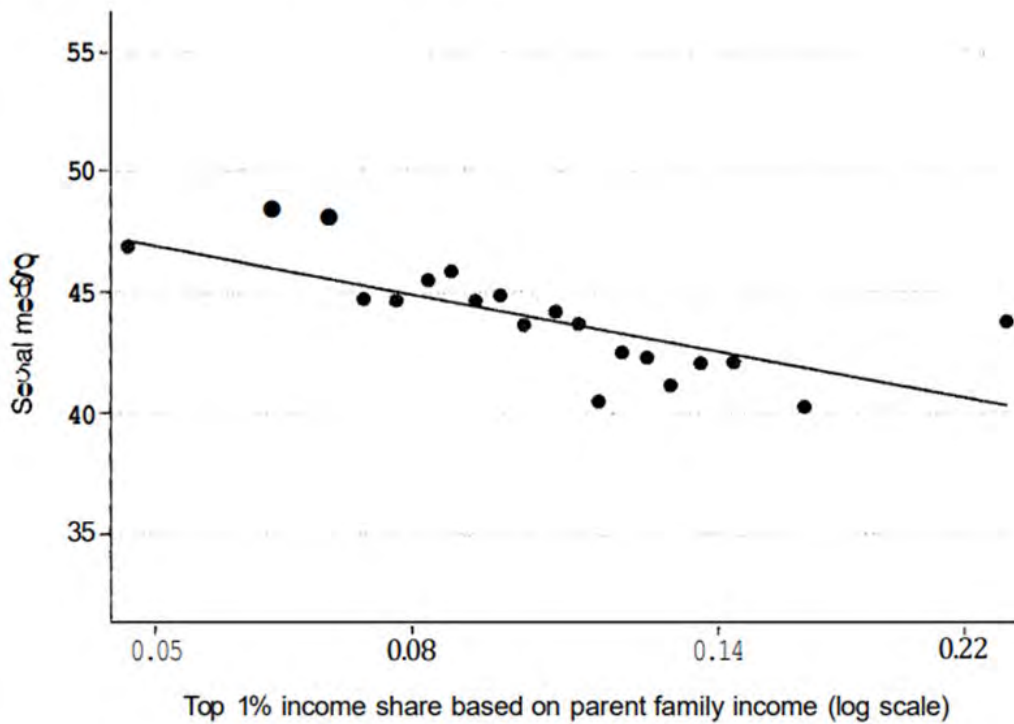


FIGURE 5.4. Social mobility and the top 1 percent income share.

Data source: R. Chetty, N. Hendren, P. Kline, and E. Saez, "Where Is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States," *Quarterly Journal of Economics* 129, no. 4 (2014): 1553-1623.

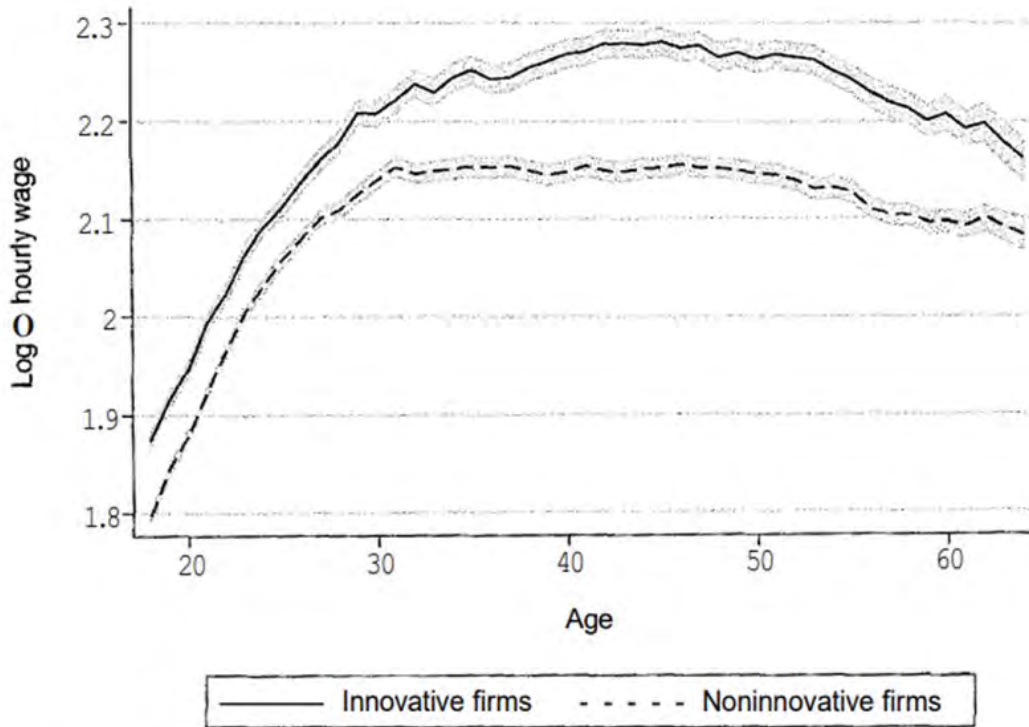


FIGURE 5.7. Average wage of workers in low-skilled occupations.

Reformatted from P. Aghion, A. Bergeaud, R. Blundell, and R. Griffith, "The Innovation Premium to Soft Skills in Low-Skilled Occupations," unpublished manuscript, 2019, figure 1

Innovation and Top Income Inequality

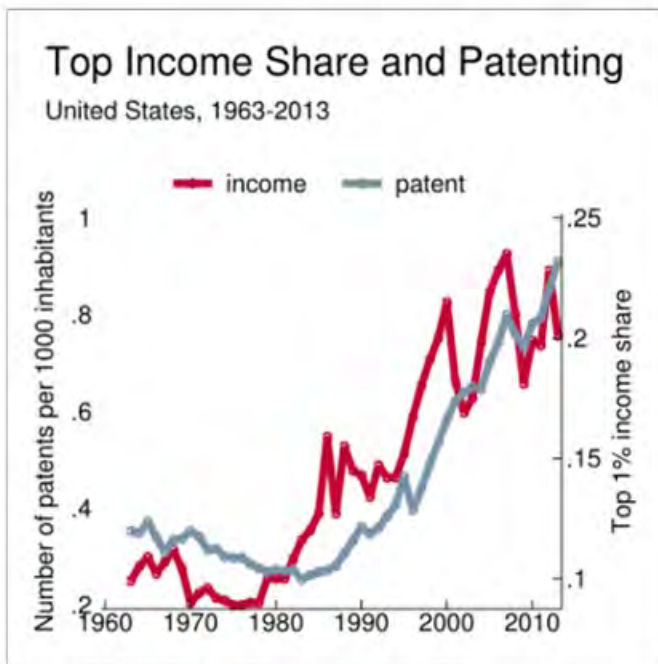


Figure 1: THIS FIGURE PLOTS THE NUMBER OF PATENT APPLICATIONS PER 1000 INHABITANT AGAINST THE TOP 1% INCOME SHARE FOR THE USA AS A WHOLE. OBSERVATIONS SPAN THE YEARS 1963-2013.

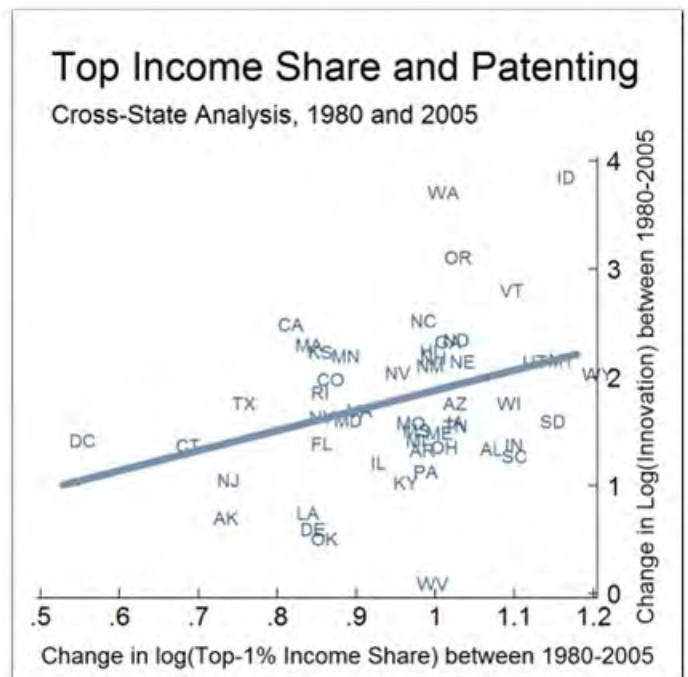


Figure 2: THIS FIGURE PLOTS THE DIFFERENCE OF THE LOG OF THE NUMBER OF CITATIONS PER CAPITA AGAINST THE DIFFERENCE OF THE LOG OF THE TOP 1% INCOME SHARE IN 1980 AND 2005. OBSERVATIONS ARE COMPUTED AT THE US STATE LEVEL.

Aghion, Philippe, Ufuk Akcigit, Antonin Bergeaud, Richard Blundell & David Hémous (2019) "Innovation and top income inequality." *The Rev of Econ Studies* 86, no. 1 :1-45. [Cited by 351](#)

Aghion, Philippe, Ufuk Akcigit, Antonin Bergeaud, Richard Blundell, David Hemous. (2015) "Innovation, income inequality, and social mobility." *Vox CEPR's Policy Portal* 28 [Cited by 8](#)

[Phillipe Aghion NBER Page](#) [No Green Growth Without Innovation](#)

Philippe Aghion Prof of Econ LSE and [College de France & harvard](#) [Publications](#)
[Homepage](#) [GrowthInnovation](#) [Contract](#) 118k citations, 40k since 2017

[Homi Kharas: How will COVID-19 affect the World's Poorest?](#) CGDev Webinar Jan-12th 2021

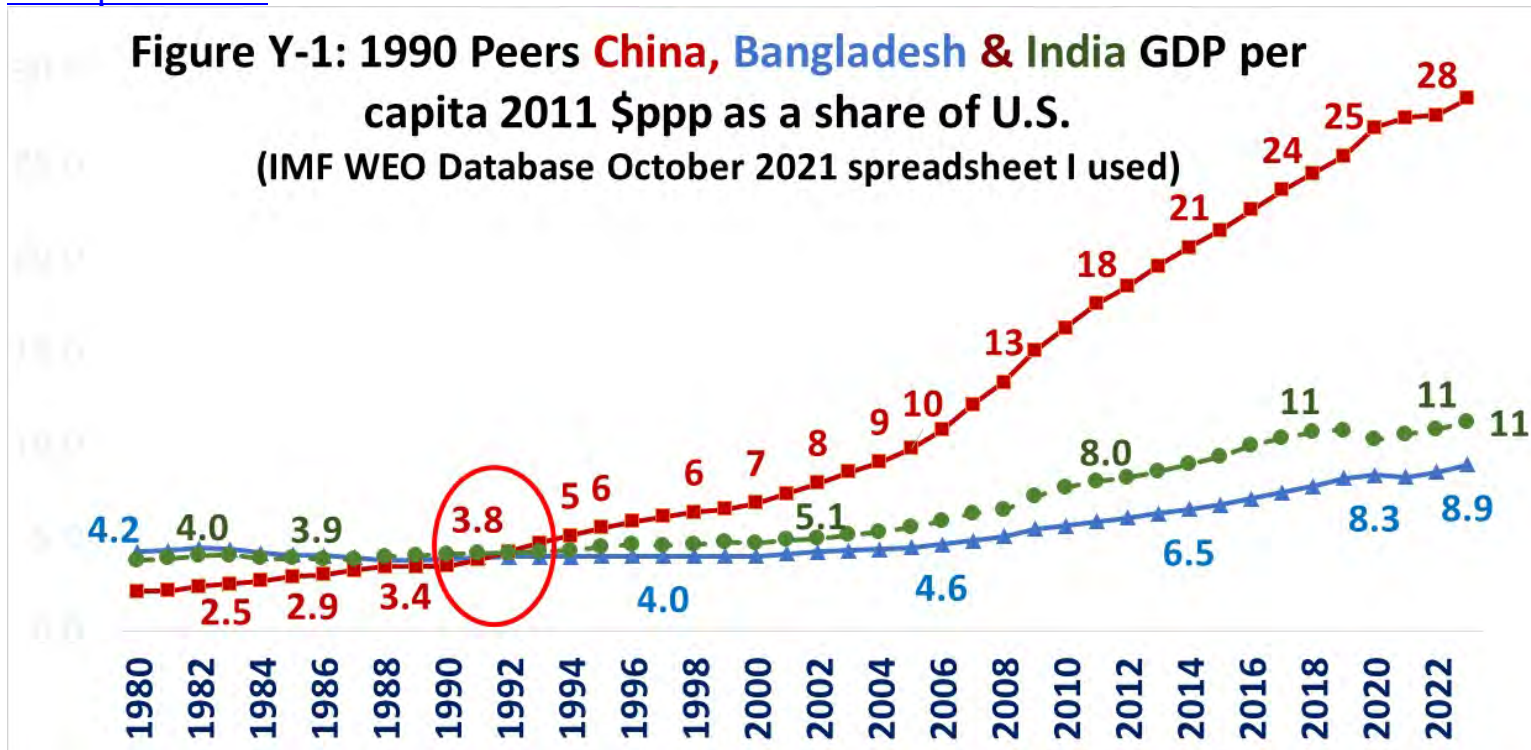
Lecture 4: [Inequality, Credit and Growth](#)

Lecture #1: Global Convergence: Absolute or relative? the [Elephant GIC Lecture](#)

Case Studies: Milanovic China & the NEP Guatemala [Vietnam](#)

Middle class, Vulnerable or Poor? [Luis Lopez Calva Slides](#)

[This spreadsheet:](#)



[It's Man Vs Wild in India's Economy, and Wild Has the Upper Hand](#)

The Impact of Global Warming on Rural-Urban Migrations: Evidence from Global Big Data

<https://www.nber.org/papers/w25728>

Does rainfall matter for economic growth? Evidence from global sub-national data (1990–2014)

Damania, Richard, Sebastien Desbureaux, and Esha Zaveri. "Does rainfall matter for economic growth? Evidence from global sub-national data (1990–2014)." *Journal of Environmental Economics and Management* 102 (2020): 102335. [Cited by 17](#)

[IMF-World Bank Meetings October 2021](#)

Lecture #4: Inequality & Growth: Data on Poverty and Inequality
[Measures and key findings \(Penalosa\)](#)

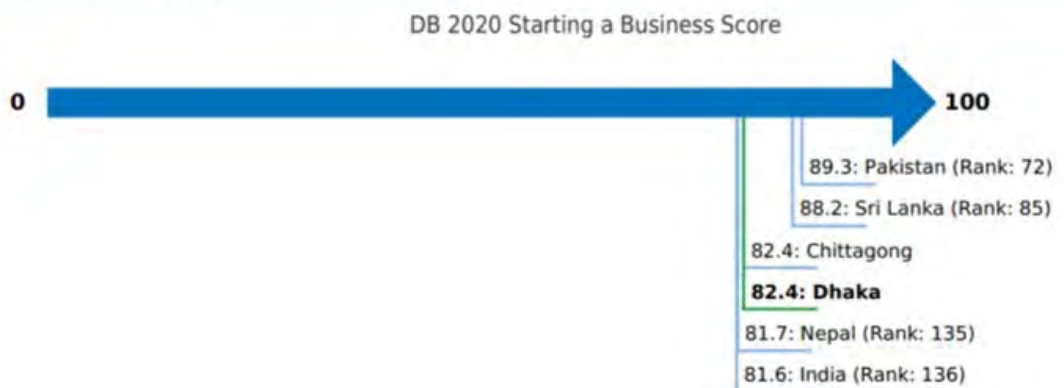
A [Conversation with Ngozi Okonjo-Iweala, WTO Director-General](#)

[Three Growth Models handout](#) with Poverty Traps (Figures S-1 to S-3) Dynamic stability is a classic problem in growth theory, dating back to the dynamic instability of the HD model.

[The Global Economic Recovery is in danger of Stalling](#)

Doing Business [BGD 2020 not its “comparator countries/cities](#)

Figure - Starting a Business in Dhaka and comparator economies - Ranking and Score



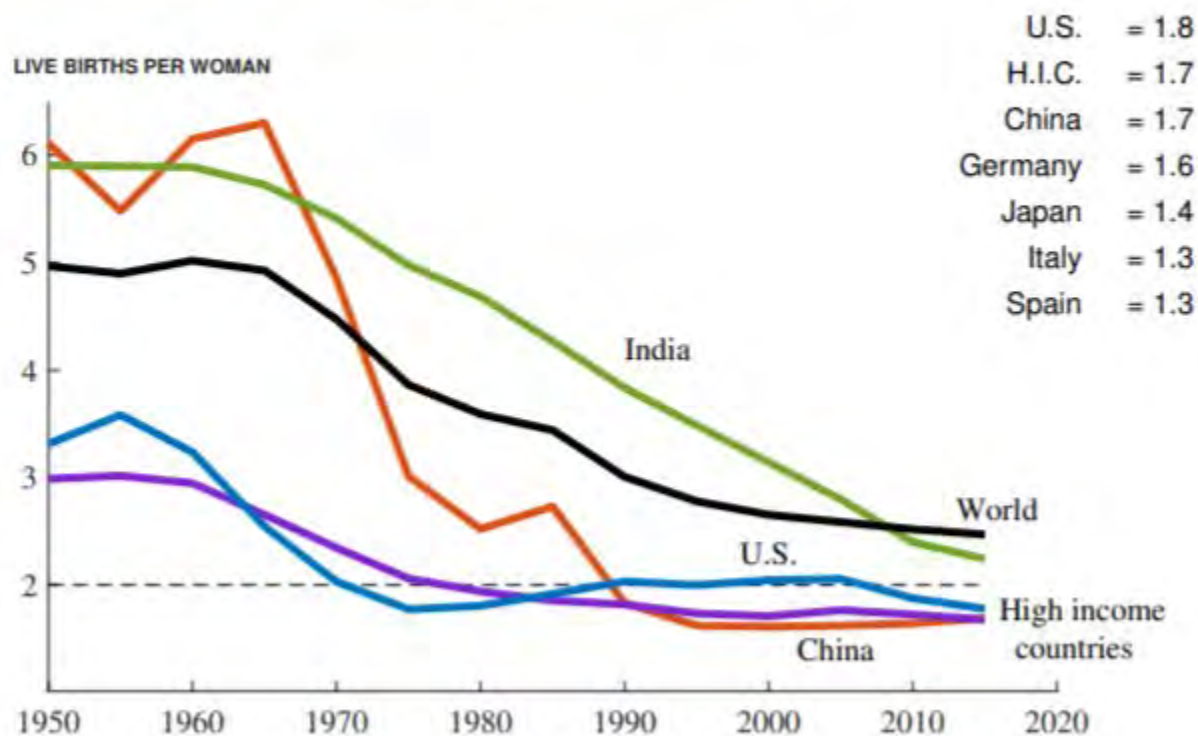
Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These are the scores for each of the component indicators.

CNN Business on the [Global Supply Chain Nightmare](#) (West coast ports backed up...)
Targeting ODA for a Post 2015 World (why 2015?) [PDF copy](#)

Improving ODA allocation for a post-2015 world

Targeting aid to benefit the poorest 20% of people in developing countries

The Total Fertility Rate (Live Births per Woman)



https://www.un.org/en/ecosoc/newfunc/pdf15/un_improving_oda_allocation_for_post-2015_world.pdf

In Fall 2020 we had several excellent presentations (I will ask these students if we can share these).

Mariam will present on Growth and Environmental Sustainability in Indonesia

Tara will present on **Climate Change and Growth in LDCs**

Julieth Saenz Molina will present on Climate Change Mitigation and Growth in Brazil

Katherine Theis on Vietnam's astonishing performance (

Important: before your final presentation please save your final presentation slides in [this google drive](#), in PowerPoint format (as a pptx file)

If your class presentation is delayed by weather (as it was last Fall) you have the option of recording your voice narration directly on your PowerPoint. We will schedule a makeup session Monday. If you have internet, this is an opportunity to try Panopto (everyone at Fordham has access, perhaps Jeffery can record a 10-minute getting

started video and we will post it here). Here is an out of date but still helpful presentation [checklist from last Spring](#) (note the FAQs) and links to the [ADA compliance guidelines](#) for PPTx and Word as well as the [WB-VC guidelines](#) (e.g., the 666 rule) this BLM presentation shows [how anti-racism protests](#) can change attitudes toward racial groups and uses an interesting approach to the 666 rule (great pictures, is that 5th Avenue?). And it [even has an url to their paper](#) at the end (but never just an url).

Important: please book an appointment with me on Zoom or Skype or Google Meet to review your presentation **at least 24 hours before you want to present** (so there is still time to make changes). Calendly seems to be working now for one-hour meetings (see scheduled meetings below). If you have any questions or reservations please email me at mcleod@fordham.edu and call my office line 718 817-0063 (it rolls to my cell but all I see is 718 817-1000 (so I cannot return your call, leave a message? Or when all else fails send me an email at mcleod@fordham.edu and dlmcleod@gmail.com (in case Banner is down) and/or a text a 914-661-6998). If you do all the above, your presentation was not meant to happen that day and hour. If this happens, immediately email your presentation or final exam to mcleodassign@gmail.com and save it in this google drive if you are in [ECON 6470 Presentations](#) and this drive for [ECON 3248 presentation](#).

Essential data for Country Studies: The innovation of Millennium and Sustainable Development Goals: did your country meet MDG 1 to cut the relevant 1990 poverty rate (\$1.90 for low income \$3.50 and \$5.50 a day for lower and upper middle-income countries). SDG-1 is get \$1.9/day poverty under 3% for all countries. This course calendar with links to the WB Virtual Classroom Guidelines (e.g. the 666 rule). Again, here are the ADA guidelines for PowerPoint.

Here is the presentation grading system we use: .

20 points for proposal and outline (key points)

40 points references to course reading and cited Google *scholar article pages*.

20 points for first slide deck 20 points for first revision

30 points for presentation 20 points for 2nd revision

150 Total points total

Other very important requirements not in WB VC ADA guidelines (file names for example).

PT-1 Please edit and add pictures to comply with the 666 rule to the extent possible

PT-2 The min font size is 20 points see fonts listed above

PT-3 Use other people's graphics and slides but clearly source them

PT-4 Every slide that has a fact or idea should have an author, date, page reference (like a paper)

PT-5 Switch to PowerPoint as soon as possible, google slides says it can save as Pptx but it really does not

PT-6 Add a running footer to all slides except the first with pages ECON 6470 Fall 2020 **and slide number**

PT-7 Please start and end with a list of key points, what are you arguing? For example: Rwanda's growth strategy is working because a,b,c

At the end repeat your key points, we will discuss why we do this in class (it is not part of the WB-VC guidelines).

PT-5 Include a list of references in any google scholar format with citations url where possible. At least one of the citations should be Presentation Tips: Please save your Presentation and email me 24-48 hours before you want to present because you/we will have to make revisions to meet WB VC Guidelines and Fordham ADA compliance rules (file names for example).

Michael Kremer [Population Growth and Technical Change back to 1M BC](#) [Population growth and Technical Progress](#) [Jones, 1994 R&D models of Economic Growth](#) [Are Ideas getting harder to find?](#) Yes ideas are nonrival...

Presentation Tips: Please save your Presentation in the google drive Jeffrey created for and email me at least 24 hours before you want to present because we may have to make revisions to meet [WB Virtual Classroom](#) (WBVC) and Fordham's ADA rules for Pptx (ADAP)

Fall 2020 Here are the WBVC Guidelines that seem to giving us the most trouble:

BVC-1 Use easy to read 24-Point sans serif fonts such as Arial, Helvetica or Verdana.

WBVC-2 Please Do use something like 666 rule (6 words maxe per point, 3-6 bullets per side no more adding a picture or Figure every 6 slides minimum w/o a picture or Figure. (No dark backgrounds or flashy colors or animations please, though this presentation has an exception to the no animations...)

WBVC-3 Try to avoid reading from your notes, use your slide points [use your mouse pointe or circles key #s or points to draw attention to facts; which how Fordham PhD [Maria Davalos reveals her points](#) one at a time to draw attention to each key point...

ADA Guidelines for Pptx files:

ADA-1 Please use a file name with no spaces in this format: ECON6470YourNameTopicF2021 (for exame For example, ECON6470SpencerRwandaGrowthF2020.pptx

ADA-2 Use recommended fonts: Times Roman, Verdana, Arial, Tahoma, Helvetica or Calibri.

ADA-3 Make sure all urls have descriptive hyperlinks, for example IMFWEOOct2020

<https://gdsnet.org/Corlett2016ExamininganElephantGlobalizationandtheMiddleClass.pdf>

Barro and Sala-i-Martin Poverty Traps

https://gdsnet.org/Sala-i-MartinPoverty_Traps.pptx

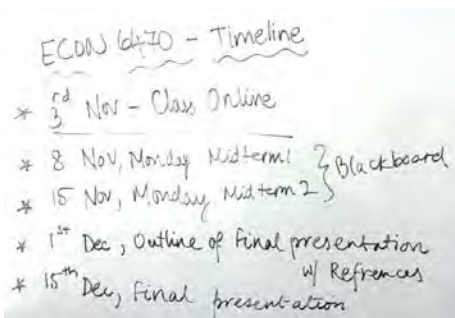
<https://gdsnet.org/NimrodSegevECON6470AvoidingMiddleIncomeTrapsDLMedit.pdf>

<https://gdsnet.org/DeclineLatAmInequalitySomePoliticsSomeEconomicsNoMiddleClass.pdf>

[CGD Dec 2nd Conference Measuring women's Empowerment](#)

COVID [Vaccine](#) and Theraputics Progress Regeneron

[Conflict in Ethiopia](#)'s Tigray region again [As featured in Fordham News](#) Fordham's Global Poverty Index



https://gdsnet.org/Sala-i-MartinPoverty_Traps.pdf

<https://gdsnet.org/Econ6460MalnutritionPovertyTraps2>

[Sala-i-MartinPoverty_Traps.pdf](#)

https://gdsnet.org/Econ6470_MexicoNAFTAPovertyTraps_2021.pdf

[AghionAntioninBunel2021PowerofCreativeDestruction.pdf](#)

Poverty Traps: Market-Size Poverty Traps [Sali-Martin poverty traps](#)

[Nimrod Segev Avoiding Middle Income Growth Traps](#)