

INSTITUTIONS AND ECONOMIC GROWTH

This course will deal with basic ideas of economic growth and development. We will also apply the *Smith-Coase framework* to the study of price discrimination, the law of demand, auction, industrial revolution, and the economics of climate change.

Requirements: midterm (50%) and term paper (50%, including oral presentation)

Office Hours: Tuesdays, 2:00-3:00, p.m. (SS 3F02); otherwise, by appointment

Web: <http://web.ntpu.edu.tw/~guan>

Course Outline

The Smith-Coase Framework in Economics

Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, 5th edition, 1789; Modern Library, 1994 (中譯：國富論，先覺，2000), Bk. I, Ch. I-VII.

Ronald H. Coase, "The Nature of the Firm," *Economica*, 1937, 386-405.

Ronald H. Coase, "The Problem of Social Cost," *Journal of Law and Economics*, 1960, 1-44.

Law of Demand and Price Discrimination

Alfred Marshall, *Principles of Economics*, 8th edition, Macmillan, 1920 (中譯：經濟學原理，五南，2021), Bk. III, Ch. III.

Milton Friedman, *Price Theory*, 2nd edition, Aldine, 1976, Ch. 2.

De-Xing Guan, "Adam Smith on Cost and Utility," *Adam Smith Works*, August 29, 2023 (<https://www.adamsmithworks.org/speakings/guan-smith-cost-utility>).

Auction, Fashion, and Coase Conjecture

Ronald H. Coase, "Durability and Monopoly," *Journal of Law and Economics*, 1972, 143-149.

Tim Harford, *The Undercover Economist*, 2nd edition, 2011 (中譯：誰賺走了你的咖啡錢，早安財經文化，2020), Ch. 7.

Tim Harford, “Can You Charge Different Customers Different Amounts?” *BBC News*, November 27, 2019 (<https://www.bbc.com/news/business-50005890>).

Introduction to Economic Growth

Charles I. Jones and Dietrich Vollrath, *Introduction to Economic Growth*, 3rd edition, Norton, 2013, Ch. 1-5.

Paul Romer, “New Goods, Old Theory, and the Welfare Costs of Trade Restrictions,” *Journal of Development Economics*, 1994, 5-38.

Robert J. Gordon, *The Rise and Fall of American Growth*, Princeton University Press, 2016 (中譯：美國增長的起落，中信，2018), Ch. 1.

Artificial Intelligence, Climate Change, and the Social Responsibility of Business

Charles I. Jones and Dietrich Vollrath, *Introduction to Economic Growth*, Ch. 10.

Daron Acemoglu, “Distorted Innovation: Does the Market Get the Direction of Technology Right?” *AEA Papers and Proceedings*, 2023, 1-28.

William D. Nordhaus, “Climate Change: The Ultimate Challenge for Economics,” *American Economic Review*, 2019, 1991-2014.

Milton Friedman, *Capitalism and Freedom*, University of Chicago Press, 1962 (中譯：資本主義與自由，五南，2018), Ch. VIII.

Midterm Exam

Industrial Revolution and Economic Development

Adam Smith, *Wealth of Nations*, Bk. III, Ch. III.

W. Arthur Lewis, “Economic Development with Unlimited Supplies of Labour,” *Manchester School*, 1954, 139-191.

Robert E. Lucas, Jr., “What Was the Industrial Revolution?” *Journal of Human Capital*, 2018, 182-203.

Douglass C. North, *Structure and Change in Economic History*, Norton, 1981 (中譯：經濟史的結構與變遷，聯經，2016), Ch. 5-6.

黃仁宇，資本主義與二十一世紀，聯經，1991，頁 287-309。

Term-Paper Presentation