

Economics 502 Macroeconomics and Growth Theory
Spring 2012
Homework 1

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Due date: Thursday, February 2, 2012

1. Problem 1.5 on page 46.
2. Problem 1.9 on page 46-7.
3. Replicate the results in Table VI of Mankiw, Romer, and Weil (QJE 1992). Links to the data and the paper are on my website. You may use any statistical software you like (e.g. SAS, STATA, RATS, etc.) What is the difference between the regressions run in Tables V and VI and those in Table II?
4. Solve the discrete time version of the Solow model. What is the discrete time version of equation 1.18 on page 16? Comment on the difference between the discrete time and continuous time versions of this key equation describing the dynamics of the model.

Note: Problems 1.1 through 1.3 on pages 45 are very basic and will not be graded. However, you should make sure that you understand them!