UCLouvain

lecon2828

2026

Structural change, inequality, and development

5.00 credits	30.0 h	Q2

Language :	English
Place of the course	Louvain-la-Neuve
Main themes	This course studies macroeconomic aspects of economic development, growth, and inequality with a focus on theoretical analyses. The following subjects are studied (indicative): · The evolution of income differences across and within countries. · Mechanisms through which there might be poverty traps. · The relation between structural change and growth. · The diffusion of technologies towards developing countries. · The effects of intellectual property right protection on developing economies. · The effect of inequality on growth. · Factor income distribution and growth.
Learning outcomes	**At the end of this learning unit, the student is able to :** 1 The goal of this course is to improve students' understanding of the above-mentioned topics and should learn to rigorously address various related issues.
Evaluation methods	There is a final written exam at the end of the course
Content	Detailed content: Part 1: Economic development and structural change The evolution of income differences between countries and within countries (empirical) The diffusion of technology to developing countries A model of technology diffusion Endogenous distance to the technology frontier Technology suitability Consumer demand and structural change Stone-Geary preferences and Engel curves Structural change and endogenous growth in a two-sector model Dual economy models Urbanisation Formal and informal activities The ‘O-ring’ theory of economic development Coordination failures Corruption and endogenous career choices Externalities of aggregate demand Part 2: Inequality and growth Neoclassical distribution theory Robotisation and the share of labour income Capital market imperfections, inequality and growth One-period life model with bequests Diminishing returns to individual investment Increasing returns and indivisibilities of investment Distribution of factor income and growth Infinite horizon (Ramsey) Nested generations Growth, distribution and political economy Distribution of personal income and growth Homothetic preferences Indivisibilities of consumption and demand-driven innovation

Bibliography	• Plusieurs chapitres des ouvrages suivants : « Introduction to Modern Economic Growth » ; Daron Acemoglu ; Princeton University Press ; 2009. « Income Distribution in Macroeconomic Models » ; Gioseppe Bertola, Reto Föllmi, Josef Zweimüller ; Princeton University Press ; 2006. Divers articles indiqués pendant le cours.
Other infos	Course in charge of Unamur BUT taught at UCLouvain Prerequisites: Undergraduate Macroeconomics course Reception: 2 hours per week
Faculty or entity in charge	ECON

Programmes containing this learning unit (UE)

Program title	Acronym	Credits	Prerequisite	Learning outcomes
Master [120] in Multilingual Communication	MULT2M	5		
Master [60] in Economics : General	ECON2M1	5		
Master [120] in Economics: General	ECON2M	5		
Master [120] in Agriculture and Bio-industries	SAIV2M	5		
Master [120] of Education, Section 4 : Economics	ECOL2M4	5		