

Growth and Development Economics
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Homework 4, due Wed Feb 22 at 1.00pm

Question 1. The Role of Agriculture in Development.

1. Solve the structural transformation model in Gollin, Parente and Rogerson AER 2002
2. Reproduce their Figures 1, 2 and 3.
3. Recalibrate this model economy to match a poor country of your choice.
4. Add a consumption tax and compare with previous results.

Discuss all your results.