



Australian
National
University

PUBLIC LECTURE

Nobel Laureate Professor Edward C Prescott

Trevor Swan Distinguished Lecture

Neoclassical Growth Theory: From Swan to now

Wednesday 13 August 2014 5.30 – 7.30pm

Location

Auditorium

China in the World Building, Fellows Lane
ANU

Talk is followed by light refreshments

RSVP

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This event is free and open to the public



The Swan 1956 growth model is the cornerstone of secular growth theory. To broaden the model to encompass aggregate business cycle fluctuations Kydland and Prescott added an aggregate household to explain investment-savings and labor-leisure decisions. With this addition, neoclassical growth theory came into existence. Extensions of this theory have proven successful in the study of stock markets, growth miracles, prosperities and depressions, alternative tax policies, and differences in aggregate labor supply across countries and time. Deviations from the predictions of this theory are puzzles to be resolved and their resolutions have advanced neoclassical growth theory.

Edward C Prescott is Professor of Economics at Arizona State University and is the W. P. Carey Chair in Economics in the W. P. Carey School of Business. He and Finn Kydland were jointly awarded the 2004 Nobel Prize in Economics for *“their contributions to dynamic macroeconomics: the time consistency of economic policy and the driving forces behind business cycles.”*

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