Macroeconomics I

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Syllabus

1 Description

The course covers the workhorse models of modern macroeconomics. Topics include: consumption vs. saving decision, Ramsey neoclassical growth model, convex adjustment costs, overlapping generations, endogenous labor decision, asset pricing, search and matching, and money.

2 Prerequisites

The prerequisite for this course is math and quantitative methods, taught in the pre-course period and the first term.

3 Textbooks

Although there are no required texts, the following three are strongly recommended:

- Acemoglu, Daron. *Introduction to Modern Economic Growth*. Princeton University Press. 2009.
- Blanchard, Olivier and Stanley Fischer. *Lectures on Macroeconomics*. MIT Press. 1989.
- Ljungqvist, Lars and Thomas Sargent. *Recursive Macroeconomic Theory*. MIT Press. 2nd edition. 2004.

Some lecture notes will be provided as well.

4 Course Outline

Lecture I

Consumption vs. Savings – Deterministic Case (2h)

Lecture II

General Equilibrium: Consumption vs. Investment, Ramsey Problem (3h)

Lecture III

Convex Adjustment Costs, Tobin's q (2h)

Lecture IV

OLG (3h)

Lecture V

Stochastic Neoclassical Growth Model and endogenous labor supply (RBC model) (3h)

Lecture VI

Asset Pricing (2h)

Lecture VII

Search and Matching (3h)

Lecture VIII

Money (2h)

5 Requirements

There will be five problem sets (one for each recitation session) and an in-class final exam. The final exam covers the entire syllabus. The recitations will cover supplementary materials and review problem sets. There will be a total of 30 hours of lecture and recitation sessions. A listing of key dates follows below.

6 Grading

The problem sets are worth 40% of the final grade and the final exam 60%.

7 Office Hours

I hold office hours on Fridays from 6pm to 7pm.