Among other things, macroeconomics studies the determination of, and dynamic interactions among, aggregate variables such as output, consumption, investment and employment and answers questions about the properties of economic equilibria, as well as the effects and desirability of various government policies. The goal of this course is to briefly introduce you to some core topics in macroeconomics while, more importantly, equipping you with important theoretical tools. The exact set of topics covered depends on time constraints.

Administrative Information

The course is supported by a TA section for Econ PhD students and a separate TA section for everybody else.

My office hours: By appointment only.
Course website: sakai.duke.edu
PhD TA: Eugene Tan (jun.jie.eugene.tan@duke.edu).
Everyone else’s TA: Hasan Arik (hasansadikarik@gmail.com).

Schedule

There is no class on Oct 12 (Fall Break) and Nov 23 (by my decree). I will update you on other schedule changes as needed.

Grading

The final exam will be comprehensive and held on Dec 10 at 2pm in SocSci 119. There will also be a midterm exam, with date, time and location to be determined. Assignments are given out approximately weekly and count toward the final grade. The grading scheme for the course is 10% for assignments, 90% for the two exams.

Books

The following book is required.


We have several readings from an additional text that I consider to be essential reading for students with a longer term interest in macroeconomics, or dynamic models more generally:


I also briefly use my undergraduate notes, which are written in the form of a book:

Syllabus

Readings will be posted electronically to Sakai. I post lecture notes and/or slides for some topics. These will be mentioned in class as they become available. The exact ordering of the lectures is subject to change.

1. Background reading / stuff you should know already
   a. How we “do” macro
   b. Basic microeconomics: Producer and consumer theory
   c. Undergraduate level dynamic macroeconomics
      - B. Chs. 2–5.

2. Growth with Ad-Hoc Savings Rules

3. The Neoclassical Growth Model

4. Deterministic Dynamic Programming
   - SLP, Chs. 3 & 4.
   - LS, Chs. 3.1, A.

5. Competitive Equilibrium and the Welfare Theorems
   - LS, Ch. 7.

6. The Basic Overlapping Generations Model

7. Deterministic Equilibrium Dynamics in Linear Models
8. Primer on Time Series Econometrics
   - LS, Ch. 2.

9. Consumption

10. Asset Pricing

11. Dynamic Stochastic Models & Equilibrium
    - LS, Chs. 3.2 & 12.

12. Stochastic Equilibrium Dynamics

13. Real Business Cycle Models

14. Additional topics if time permits