Economics 882: Topics in Macroeconomics (Jaimovich)

1 What are we going to do in this class?

This is an advance class in macroeconomic for Ph.D students. The idea in this class is to cover and introduce you to different topics in modern macro. The class will be centered less on tools (at least relative to other classes you might have taken) and more on "topics". However, I will assume a basic knowledge of dynamic programming, general equilibrium, and, obviously, basic optimization tools (both in discrete and continuous time). There is no required textbook. The material for this class will be based on my notes (which I will post after each class) and articles that I will assign to read.

1.1 Topics to be covered[1]

1. Search/Frictions in the labor market

   (a) Cover the basic search models.
   (b) How to incorporate search models into DSGE.
   (c) Directed search.
   (d) Applications such as: Shimer puzzle, Youth unemployment, Technological learning, Job polarization.

2. Incomplete marrkets

   (a) Cover the basics of the incomplete markets literature.
   (b) Discuss the Hugget and Krusell Smith models.

3. Taxation and growth

   (a) Discuss the effects of taxes on growth: models and empirics

4. News "shocks" literature

5. Uncertainty "shocks" literature

1.2 Class requirements

Since this is an advanced class there will be no exams. I might occasionaly give problem sets. The requirement from you is to present a research proposal in writing and in class in form of a presentation. Specifically, you will have to present a 30 minutes proposal (in class infront of your colleagues) that will present the following items:

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[1]This is an incomplete list. Based on how much we cover and interest of the class we could cover additional topics.

1. Basic question you are interested in.

2. Why do we care about this question.

3. What is new relative to existing literature.

4. What data do you have in mind to use.

5. What is the model you have in mind.

Note that you are not required to present a full paper! What I want to see if the idea and the approach you have in mind. In writing this proposal should be between 5-10 pages.