Overview

In this course, we combine empirical observations and economic models to study the dynamics of the economy as a whole. In particular, we analyze the drivers of long-run economic growth and short-run aggregate fluctuations, i.e., expansions and recessions, as well as the role of fiscal and monetary policy.

The main learning objective is that at the end of this class you will be able to use a general framework to think about key macroeconomic events and policies you may read about in the news.

Assessment

1) Problem Sets - posted approximately every two weeks - account for 20% of the final grade. Solutions are discussed in TA sessions.
2) Two midterms - in the form of online quizzes/tests - account for 20% each.
   Midterm 1: 9/17
   Midterm 2: 10/15

3) Final exam – accounts for 40%.

Textbook

Topics (relevant textbook chapter)

1) GDP and measurement of macro variables (Ch. 2)
2) The aggregate production function (Ch. 4)
3) The Malthusian growth model (Ch. 7)
4) The Solow growth model (Ch. 7)
5) Labor supply (Ch. 4)
6) Consumption-saving decisions and Ricardian Equivalence (Ch. 9)
7) Credit-market frictions (Ch. 10)
8) Investment and Real Business Cycles (Ch. 11)
9) Money, prices and monetary policy (Ch. 12)
10) The New Keynesian model (Ch. 14)
11) Extra – if there is time: Search and Unemployment (Ch. 6)