

Advanced Macroeconomics

Instructor

Paul Scanlon,
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OFFICE: Arts Building, Rm 3006.

OFFICE HOURS: F, 3pm-4.30pm, T, 3pm-4pm, and by appointment.

Course Information

TIME: T, 4:00-6:00pm, IIS Room

Introduction

This is a course on advanced macroeconomics. The goal is to present theory from various subfields of macroeconomics, placing emphasis on existing research questions.

Assessment

The assessment will comprise reviews of four papers: students are required to outline three strengths and weaknesses of each assigned paper. Assignments are due at the start of class each week.

Outline

Further readings to be announced.

1. Asset Pricing

- (a) John Cochrane “Financial Markets and the Real Economy.”
- (b) Narayana Kocherlakota. “The Equity Premium, Why Is It a Puzzle?”

2. International Risk Sharing

- (a) Michael Brandt, John Cochrane, and Pedro Santa-Clara. “International Risk Sharing is Better than you Think, or Exchange Rates are too Smooth.”
- (b) David K. Backus, Patrick J. Kehoe, and Finn E. Kydland, “International Real Business Cycles.”

3. New Keynesian Open Economy Model

- (a) Gali, Jordi, “Monetary Policy, Inflation and the Business Cycle,” Chapter 7.

4. Labour Markets

- (a) Albert Alesina, Edward Glaeser, and Bruce Sacerdote, “Work and Leisure in the U.S. and Europe: Why So Different?,” NBER Macroeconomics Annual 1995.
- (b) Edward Prescott, “Why Do Americans Work So Much More Than Europeans?”
- (c) Richard Rogerson, “Understanding Differences in Hours Worked.”
- (d) Robert Shimer, ”Convergence in Macroeconomics: The Labor Wedge.”