

Macroeconomics I
September 19 to January 20
Andrés Erosa

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Office hours: Monday 16:00-17:00	E-mail: aerosa@eco.uc3m.es
Lectures: M 18:00-19:30, F 16:00 -17:30	Rm 18.1.A.12

Timetable

Week 1 Growth: Theory and Evidence (I)

- Session 1: Facts on Economic Growth
- Session 2: The Solow Growth Model

Week 2 Growth: Theory and Evidence (II)

- Session 1: Quantitative implications of the Solow Growth Model
- Session 2: Evaluation of the Theory

Week 3 Ramsey Model (I)

- Session 1: Optimal Growth
- Session 2: Optimization Theory and Dynamic Responses to shocks

Week 4 Ramsey Model (II)

- Session 1: Review of Homework 1
- Session 2: Competitive Equilibrium Growth

Week 5 Fiscal Policy in the Ramsey Model

- Session 1: Government expenditures, debt
- Session 2: Taxation

Week 6 Endogenous Growth (I)

- Session 1: Review of Homework 2
- Session 2: AK Model, Human Capital
- Practical Session: Review of Basic Concepts

Week 7 Endogenous Growth (II)

- Session 1: Learning by Doing
- Session 2: Empirical evaluation of the theory, Review of Homework 3.

Week 8 MIDTERM EXAM

Week 9 Macroeconomic Analysis of a Small Open Economy

- Session 1: Review of Midterm Exam
- Session 2: Key concepts and basic model

Week 10 Open Economy

- Session 1: Savings, trade balance and current account
- Session 2: c. Unanticipated shocks (permanent and temporary).

Week 11 Money in an Open Economy

- Session 1: Review of Homework 4
- Session 2: Central bank, reserves, and the Treasury

Week 12 Money in an Open Economy

- Session 1: Law of one price, interest parity.
- Session 2: Fixed exchange rates

Week 13 Monetary Policy (I)

- Session 1: Flexible exchange rates
- Session 2: Devaluation, reserves, and money supply.

Week 14 Monetary Policy (II)

- Session 1: Money growth and flexible exchange rates.
- Session 2: Review of Homework 5

Week 15 FINAL EXAM