Macroeconomics I

September to December 2020

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Office number: 15.1.17	Telephone: + 34 91 624 3600
Office hours: Monday 15:00-16:00	E-mail: aerosa@eco.uc3m.es
Lectures: T and Th, 9:00 - 10:30	Rm 15.1.39
Practical Class: M 12:30-14:00	Rm 15.1.39

Timetable

Week 1 Dynamic General Equilibrium Theory (I)

- Session 1: Arrow-Debreu (AD) competitive equilibrium, Sequential Markets (SM) equilibrium
- Session 2: Equivalence between AD and SM. Social Planner's Problem
- Practical session: Review of necessary and sufficient conditions for optimality.

Week 2 Dynamic General Equilibrium Theory (II)

- Session 1: Welfare Theorems, Negishi approach
- Session 2: Ricardian Equivalence
- Practical session: Kuhn Tucker Theorem

Week 3 Neoclassical Growth Model (I)

- Session 1: Optimal Growth
- Session 2: Competitive Equilibrium
- Practical session: Review of Homework 1

Week 4 Neoclassical Growth Model (II)

- Session 1: Dynamics, government expenditures, taxation
- Session 2: Preview of Dynamic Programming
- Practical session: Mapping the Model to the Data

Week 5 Endogenous Growth

- Session 1: AK model
- Session 2: Human Capital
- Practical session: Review of Homework 2

Week 6 Uncertainty and Risk Sharing

- Session 1: The structure of information and complete markets
- Session 2: Arrow Securities
- Practical Session: Review of Basic Concepts

Week 7 Asset Pricing

- Session 1: Valuation of Assets
- Session 2: Equity Premium Puzzle
- Practical Session: Review of Homework 3

Week 8 MIDTERM EXAM

Week 9 Overlapping Generation Models (I)

- Session 1: An endowoment Economy, Offer Curve
- Session 2: Multiplicity and efficiency of equilibrium
- Practical Session: Review of Midterm Exam

Week 10 Overlapping Generation Models (III)

- Session 1: Money, social security
- Session 2: Government debt and outside assets.
- Practical Session: Review of basic concepts

Week 11 Overlapping Generation Models (IV)

- Session 1: Capital accumulation
- Session 2: Dynamic Inefficiency
- Practical Session: Review of Homework 4

Week 12 Money in GE Models

- Session 1: Introducing Money in GE models
- Session 2: Monetary Policy, Friedman Rule, theory of the second best.
- Practical Session: Review of basic applications

Week 13 Continuous Time Growth (I)

- Session 1: Optimal Growth Problem in Continuous Time
- Session 2: Competitive Equilibrium Growth
- Practical Session: Review of Homework 5

Week 14 Optimal Taxation

- Session 1: The Ramsey Problem
- Session 2: Implementation, Optimal policy.
- Practical Session: Review of Homework 6

Week 15 FINAL EXAM