Macroeconomic Theory I
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Economics 503, Fall 2019 (2nd Half)

Syllabus

Overview: This is a graduate course in the first-year macroeconomics field. I will cover some basic aggregate dynamic frameworks with their applications. In particular, I will focus on deterministic and stochastic Dynamic Programming, Search models, Business Cycle models, Overlapping Generations models and models of Firm Dynamics and their aggregation.

Organization: The class meets on Tuesdays and Thursdays from 9:00am to 10:30am in JRRB 198. All class materials will be posted on the class website in Blackboard.

Precepts: There will be weekly precepts on Thursdays from 1:30pm to 2:30pm. The preceptor is Zhang Chen (zhangc@princeton.edu). I will hold office hours on Thursdays at 3:00pm. The final exam will be on January 15 from 9:00am to 12:00am, we will announce the room in due course.

Grading: Your grade for my part of the course will be based on four problem sets, counting for 40% of the grade, and a final exam, counting for 60%.

Recommended Books: I will use slides in the class and most of the relevant material will be in the slides. However, the following books will be useful. I might assign some papers later in the course as well.


Topics:
- **Week 1:** Deterministic Dynamic Programming
- **Week 2:** Stochastic Dynamic Programming and the Search Model
- **Week 3:** Recursive Competitive Equilibrium
- **Week 4:** Business Cycles
- **Week 5:** Overlapping Generations
- **Week 6:** Firm Dynamics and Aggregation