COURSE OUTLINE AND READING LIST

There are two textbooks for this course:
*Lectures on Macroeconomics* by Olivier Blanchard and Stanley Fischer and
*Macroeconomics* by Robert Barro. Barro will be used as background material throughout this course, while Blanchard and Fischer will provide greater detail on a number of topics.

The remainder of the readings comes from journal articles and working papers.

Abbreviations:
- AER : American Economic Review
- CJE : Canadian Journal of Economics
- EMA : Econometrica
- JEP : Journal of Economic Perspectives
- JET : Journal of Economic Theory
- JME : Journal of Monetary Economics
- JPE : Journal of Political Economy
- QJE : Quarterly Journal of Economics

I. Introduction

Blanchard and Fischer, Ch. 1
Barro, Ch. 1

II. Microeconomic Foundations and the Basic Market-Clearing Model

Barro, Chs. 2-6

III. Money and Inflation

Barro, Chs. 7, 8
Blanchard and Fischer, Ch. 4.7, 10.2
Barro and Fischer, "Recent Developments in Monetary Theory," JME, April 1976. Sections 3, 4


Friedman, "The Optimum Quantity of Money," in The Optimum Quantity of Money and Other Essays.


IV. Investment, Growth, and Public Policy

A. Investment, Capital Accumulation, and Growth

Barro, Chs. 9, 10

Blanchard and Fischer, Chs. 2.1-2

Arrow and Kurz, Ch. 2, "Methods of Optimization over Time"


B. Money and Growth

Johnson, "Money in a Neo-Classical, One-Sector Growth Model," in Essays in Monetary Economics, Ch. 4.


C. Government Expenditures, Taxes, and Debt

Barro, Chs. 12-14
Plosser, "Government Financing Decisions and Asset Returns," JME May 1982

V. Equilibrium Models of Business Cycles


A. Real Business Cycle Models - An Introduction

B. Models with Incomplete Information
Barro, Ch. 19
Barro, "The Equilibrium Approach to Business Cycles,"

C. Evidence
Barro, Ch. 18


Eichenbaum and Singleton, "Do Equilibrium Real Business Cycle Theories Explain Postwar U.S. Business Cycles?"