University of Colorado at Boulder  
Department of Economics  

ECON 7040 - Macroeconomic Theory  
Spring 1996

Professor: Ken Beauchemin  
Office: 4B Economics, 2-2651  
Office Hours: Tu 3:30-5:00, Th 9:30-10:30

Objective

In this course, current issues in macroeconomics will be studied in the context of dynamic and stochastic general equilibrium models. By necessity, the list of topics is but a small part of modern macroeconomics. Emphasis will be on constructing models in a general equilibrium setting and using the models to answer specific macroeconomic questions.

Requirements

There will be two midterms (25 percent each) and a final exam (40 percent). There will also be a series of problem sets (10 percent).

Texts


The Cooley textbook is required and can be purchased at the university bookstore. The Laffont and Sargent books can also be purchased from the bookstore. You should already own the Blanchard and Fischer text which was required during the first term.

Reading List

I. Microfoundations: Intertemporal Decision Making under Uncertainty

(L) Ch. 1, 2.  
(S) Ch. 1.  
(B-F) Ch. 6.

II. Microfoundations: General Equilibrium and Complete Markets

(L) Ch. 4-6.


III. Asset Prices

(S) Ch. 3
(B-F) Ch. 10.1


IV. Real Business Cycle Models

(C) Ch. 1, 2, 5, 10, 12.
(B-F) Ch. 7


V. Policy Considerations

(B-F) Ch. 3, 4, 11
(S) Ch. 6


A. Models of Money


B. Fiscal Policy


C. Time Consistency and Policy

