

Quantitative Macroeconomics

Sommersemester 2023

This course introduces state-of-the-art quantitative macroeconomics with a focus on monetary policy and nominal rigidities. In particular, students learn to work with dynamic structural general equilibrium (DSGE) models and to confront these models with data using structural vector autoregressions (SVARs). Theory is accompanied by applications using the software Matlab.

Contents (preliminary):

1. Introduction
 - i. Overview
 - ii. Recap on RBC theory
 - iii. A classical monetary model
2. A basic New Keynesian macroeconomic model
 - i. Towards nominal rigidities
 - ii. Model overview
 - iii. Households
 - iv. Firms and production
 - v. Policy and shocks
3. Monetary policy in the New Keynesian model
 - i. Monetary policy transmission
 - ii. Towards inflation targeting
 - iii. Discretion vs commitment
 - iv. Monetary and fiscal interactions and the zero lower bound
 - v. Quantitative evaluation: Model vs data
 - vi. Model critique and potential solutions
4. Confronting theory with empirics: SVARs for monetary policy analysis
 - i. Introduction
 - ii. General remarks on VAR processes
 - iii. Structural identification of monetary policy VARs

Termine:

- Vorlesung: Dienstag 13.00-15.00 Uhr, SR 220 (Beginn 04.04.2023)
- Übung: Montag 13.00-15.00 Uhr, PC Pool 226 (ab 03.04.2023)
- Anmeldefrist beim Prüfungsamt (verbindlich): 05.05.2023

Sprache: englisch

Literatur:

Gali, Jordi (2008), “Monetary Policy, Inflation and the Business Cycle: An Introduction to the New Keynesian Framework”, Princeton University Pres.

Garin, Julio; Lester, Robert and Sims, Eric (2021), “Intermediate Macroeconomics”, manuscript (https://www3.nd.edu/~esims1/GLS_may_2021.pdf)

Canova, Fabio (2007), “Methods for Applied Macroeconomic Research”, Princeton University Pres.

Kilian, Lutz; Lütkepohl, Helmut (2017), „Structural Vector Autoregressive Analysis“, Cambridge University Press.

Prüfungsleistung: Projektarbeit (Frist 13.08.2023)

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