Advanced Macroeconomic Analysis II:

Part II: Monetary Macroeconomics

Advanced Master and PhD course, summer term 2019          Prof. Dr. Frank Heinemann
Offered in conjunction with the Berlin Doctoral Program in Economics and Management Science

Time:  Lecture Wednesdays 8:30 - 10:00 a.m.
       Room H 3003A, TU Berlin-Hauptgebäude, Strasse des 17. Juni 135

       Recitation Wednesdays  10:15 to 11:45 a.m.
       Room H 3003A, TU Berlin-Hauptgebäude, Strasse des 17. Juni 135

First lecture May 22, 2019,       last lecture July 10, 2019
       no lecture on July 3

Students’ tasks:    homework and midterm exam

Slides and problem sets will be provided via the ISIS2 website linked from the URL
http://www.macroeconomics.tu-berlin.de/menue/teaching_lehre/adv_macroeconomics_ii/.

The ISIS-key for students is “AMA”.

Information on the first part of this course will be presented in due time.

Preliminary Course Outline:

Part II: Monetary Macroeconomics

1. Determinacy of the Price Level
   - The Cagan Model of Money and Prices
   - Money in the Overlapping-Generations Model
   - Modelling Money in the Utility Function
2. Special Topics on Modelling DSGE
   - Monopolistic Competition and Price Rigidities
   - The New Neoclassical Synthesis and Monetary Policy
   - The Forward Guidance Puzzle
   - Strategic Uncertainty
3. Experimental Approaches to Macroeconomics
General literature:


Selected chapters of the following books are required reading for the course:

1. Money and Inflation - The Cagan Model of Money and Prices


2. Money in the Overlapping-Generations Model


3. Modelling Money in the Utility Function


4. Monopolistic Competition and Price Rigidities


5. The New Neoclassical Synthesis and Monetary Policy


6. Forward Guidance Puzzle

Del Negro, Marco, Marc Giannoni, and Christina Patterson (2015), Federal Reserve Bank of New York Staff Reports, no. 574.


7. Strategic Uncertainty


8. Experimental Approaches to Macroeconomics


Other useful books for background reading are:


