Course Syllabus
Econ 304a – Advanced Macroeconomics II Spring 2011

Course Description
The course serves as an advanced introduction to the modern macroeconomic analysis of business cycles, monetary policy and asset pricing. Topics covered include, real business cycle theory, New-Keynesian theory, finance and macroeconomics e.g.: consumption capital asset pricing model, equity premium puzzle, and models of unemployment fluctuations.

Course Staff
Professor:
Dan Tortorice
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Office Hours: Monday 2pm – 4pm

Teaching Assistant:
Rawley Heimer
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Office Hours: TBA

Prerequisites
This course is intended for students in the Ph.D. program. All other students should see me before enrolling in this course. Students are expected to have completed Econ 301a (Advanced Microeconomics) and Econ 303a (Advanced Macroeconomics).

Class Schedule
Lecture: Monday/Wednesday 12:40 – 2pm. Chancellor’s Suite
Recitation: TBA

Required Readings
Articles: Articles marked with a * on the syllabus are required readings. More will be added throughout the term.

Coursework and Grading
Coursework will consist of problem sets, a midterm exam (It’ll be sometime in Mid March, when we finish the New-Keynesian section.) and a final exam. We will assign grades with a 20% weight on the problem sets and class participation, 30% weight on the midterm exam and 50% on the final exam.
**Collaboration and Academic Honesty**

Students are expected to work with each other on the problem sets. However, final answers are to be your own. Do not copy someone else's answer. You will gain nothing and will be in violation of Brandeis University rules. You are expected to be familiar with and to follow the University's policies on academic integrity (http://www.brandeis.edu/studentlife/sdc/ai). Instances of alleged dishonesty will be forwarded to the Office of Campus Life for possible referral to the Student Judicial System. Potential sanctions include failure in the course and suspension from the University.

**Special Accommodations**

If you are a student with a documented disability on record at Brandeis University and wish to have a reasonable accommodation made for you in this class, please see me immediately.

**Course Web Page**

The course web page will be posted on the LATTE system. Course announcements, assignments, overheads, and handouts will be posted on this page.

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**Course Outline**

**I Real Business Cycle Theory**


A. Business Cycle Facts and Measurement


B. Analytical Solutions to Real Business Cycle Models


C. Solving RBCs Log-Linearization and the Method of Undetermined Coefficients


D. Solving RBCs using Dynare

Griffoli, Tommaso Mancini, Dynare User Guide, mimeo
E. Objections to the RBC Paradigm


II Monetary Economics

A. Money in Macroeconomic Models (Classical View)


B. New-Keynesian Business Cycles


C. Monetary Policy


III Asset Pricing, Financial Markets and Macroeconomics


"Consumption-Based Asset Pricing”, Chapter 13 in George Constantinides, Milton Harris, and Rene Stulz eds. Handbook of the Economics of Finance Vol. IB, North-Holland, Amsterdam, 803-887, 2003

IV Models of Unemployment


