Economics 8186  
Quantitative Macroeconomics  
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Spring Semester 2014

Class time and place: Thursdays 9–12, Hanson 4-190

Prerequisites: Economics 8101-8106

Class requirements: class participation and homeworks

FTP site: ftp.mpls.frb.fed.us/pub/research/mcgrattan

Overview of the course:

In this course, I plan to study some open questions in macroeconomics that will require the interaction of theory and data. I include a long list of references that I draw from. I do not plan on working through any papers section by section; I prefer to think about the ideas and claims in these papers and think about future research projects. My goal is to get all students to the point that they can quickly and easily evaluate the promise of a new project before wasting many months hoping for their computer code to run. Thus, the course will be data and computation-intensive. My hope is that students are working on new and interesting applied projects by the end of the course. I also plan to set aside some time during the course for some practical lessons (for example, how to give a good seminar). All students must complete a required set of homeworks.

Useful Textbooks:


Primary Data Sources:


- Federal Reserve’s *Flow of Funds Accounts of the United States* (FOF). (www.federalreserve.gov/releases/z1/current/data.htm)

- Bureau of Labor Statistics (BLS), *Current population Survey* (CPS) at the Minnesota Population Center (home of IPUMS). (www.ipums.org)


- Wharton Research Data Services (WRDS) for financial data. (wrds.wharton.upenn.edu)

- Congresional Budget Office (CBO). (www.cbo.gov)


Topics:

- Are all business cycles alike?

- Why is labor productivity no longer procyclical?

- Is the U.S. Great Recession a repeat of the U.S. Great Depression?

- Why hasn’t there been a recovery in U.S. employment and hours of work?
References

• Aguiar, Mark A., Erik Hurst, and Loukas Karabarbounis, 2011 “Time Use During Recessions,” NBER working paper 17259. (www.nber.org)


• Gertler, Mark and Peter Karadi, 2011, “A Model of Unconventional Monetary Policy,”


• Jaimovich, Nir and Henry Siu, 2013, “The Trend is the Cycle: Job Polarization and Jobless Recoveries,” mimeo, Duke University.


• Kiyotaki, Nobuhiro and John Moore, 1997, “Credit Cycles,” Journal of Political Econ-


