

ECON-6313: Seminar in Macro and Growth Theory

Spring 2021

SYLLABUS

Lecture: TR 11:00am - 12:15pm, Room 0222, Physical Science Ctr

Instructor: Hewei Shen

Email: hewei.shen@ou.edu

Office: Room 334 Cate Center 1

Office Hours: 9:30 AM-10:30 AM on Tuesdays, 4:30 PM – 5:30 PM on Thursdays, or by appointment. Office hours will be conducted via Zoom.

Course Description: This course introduces the basic concepts and techniques of modern macroeconomic theory. Much of modern macroeconomics employs dynamic stochastic general equilibrium models to interpret macroeconomic phenomena. This approach emphasizes the “microeconomic foundations” of macroeconomic theory. We will focus on modeling individual behavior and examine the link between this behavior and macroeconomic time series such as business cycle, asset prices, unemployment, and interest rates.

The goal of this course is to bring students close to the frontier of modern macroeconomics. Students are assumed to be familiar with basic calculus and matrix algebra. Modern macroeconomics has come to rely on computational techniques to aid in analysis. We will use Matlab, a matrix-based programming language, for model building.

Expectations: In this course you will learn to build dynamic stochastic general equilibrium (DSGE) models, solve the models using both linear and nonlinear methods, and interpret the solutions. My expectation is that by the end of the semester you will be able to perform all three tasks with relative ease for even “complicated” models. As with many things in life, learning to do each one of these tasks well takes discipline, dedication and creativity. For each lecture there will be an assigned reading. I expect that you will have carefully read the paper / chapter prior to that lecture. Homework assignments are vital to the learning process. While I do not shun working in groups to complete homework assignments, I encourage

you to struggle with the homework assignments yourself before discussing the problem with others. Late homework will not be accepted.

Course Outline: The course materials and homework will be posted on Canvas.

Useful Texts and Notes:

Acemoglu, Daron. (2009) *Introduction to Modern Economic Growth*, Princeton University Press

Adda, Jerome and Russel Cooper. (2003) *Dynamic Economics*, MIT Press.

Romer, David (2001) *Advanced Macroeconomic Theory*, McGraw Hill.

Ljungqvist. Lars, and Thomas J. Sargent. (2012) *Recursive Macroeconomic Theory, Third Edition*, MIT Press

Stokey, Nancy, and Robert Lucas with Edward Prescott. (1989) *Recursive Methods in Economic Dynamics*, Harvard Press

Krueger, Dirk. *An Introduction to Macroeconomics with Household Heterogeneity*

Krusell, Per. *Real Macroeconomic Theory*

Grades will be determined according to the following scale.

90%-100% A	80%-89% B	68% - 79% C	50% - 67% D	<50% F
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Based upon:

40%: two midterm exams: tentatively on March 2nd and April 20th.

20%: Homework Assignments

40%: Final Exam: 08:00 AM - 10:00 AM, Wednesday, May 12th, 2021.

Administrative: I will make accommodations for students with physical, mental or learning disabilities. Students with disabilities may require some modification of seating, testing or other accommodations should see me (after class or during my office hours) so that appropriate arrangements may be made. You should also contact the Disability Resource Center, <http://www.ou.edu/drc>. The University of Oklahoma guidelines are followed in issues of academic dishonesty. Please see <https://integrity.ou.edu/students.html> for more information.

Attendance: A temporary university policy has been established to protect the OU community by ensuring that students who are ill or required to isolate feel encouraged to remain at home. Missing a class session or other class activity due to illness or isolation will not result in a penalty for the absence, and the student will not be asked to provide formal documentation from a healthcare provider to excuse the absence. This policy is based on all students and faculty adhering to the principles of integrity, honesty, and concern for others.

Students who are experiencing symptoms of COVID-19, including cough, fever, shortness of breath, muscle pain, headache, chills, sore throat, loss of taste or smell, congestion or runny nose, nausea or vomiting, or diarrhea or who have been in close contact with others who have symptoms should:

- Remain at home to protect others
- Ensure that any needed screening has been conducted ([COVID-19 Screening and Reporting Tool](#)) and [any needed treatment obtained](#)
- Contact the instructor prior to absence or inability to participate, if possible, and provide an honest report of the reason for which you cannot attend class or complete a course activity
- Continue to complete coursework to the extent possible, using Canvas, zoom, and other online tools
- Submit assignments electronically to the extent possible and as directed by the instructor
- Communicate with the instructor to arrange modifications to deadlines or work requirements or reschedule exams or other important course activities, when it is necessary

Masking Policy: As outlined by the University of Oklahoma's Chief COVID Officer, until further notice, employees, students, and visitors of the OU community will be mandated to wear masks:

1. when they are inside University facilities and vehicles and
2. when they are outdoors on campus and social distancing of at least six feet is not possible.

For the well-being of the entire university community it is important that everyone demonstrate the appropriate health and safety behaviors outlined in the [University Mandatory Masking Policy](#). As this mandate includes all campus classrooms, please make sure you are wearing your mask while in class. If you do not have a mask or forgot yours, see the professor for available masks. If you have an exemption from the Mandatory Masking Policy, please see the professor to make accommodations before class begins.

If and where possible, please make your professor aware of your exemption and/or accommodation prior to arriving in class.

If a student is unable or unwilling to wear a mask and has not made an accommodation request through the ADRC, they will be instructed to exit the classroom.