

Econ 817 – Advanced Macroeconomic Theory II

Instructor: Thorsten V. Koepl
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thor@econ.queensu.ca

Class Schedule: W 11:30-1:00 & F 1:00 – 2:30
Dunning 213

Office Hours: W & F 9:00 – 10:00

Course – TA: **Frederic Tremblay**
Dunning 315
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Office hours: TBA

Course Description:

The course is intended to enable students to understand and carry out research on the frontier of modern macroeconomics. There are three objectives: (i) acquiring a deep knowledge of common analytical tools used in macroeconomics; (ii) applying basic computational methods to solve dynamic macroeconomic models; (iii) understanding macroeconomic models with distortions such as incomplete markets, private information, limited commitment or taxation.

Course Requirements:

The final grade in the course will be based on homework assignments, a midterm and a final. The weights will be:

Assignments:	30%
Midterm:	30%
Final:	40%

All components of this course will receive numerical percentage marks. The final grade you receive for the course will be derived by converting your numerical course average to a letter grade according to Queen's Official Grade Conversion Scale. Queen's Official Grade Conversion

Scale can be accessed at: http://www.queensu.ca/artsci/academics/undergraduate/current/new-grading-scheme*

Assignments will be a combination of problem sets and computational exercises. Students are encouraged to discuss the assignments with each other, but are required to hand in an individual solution or program properly acknowledging any discussions and help received from other students or sources. A statement of Academic Integrity is attached to this syllabus.

The assignments will be posted on the course website together with their due dates. Students that hand in assignments late will receive no credit for the assignment, unless they provide proper evidence of illness or other eligible reasons in accordance with departmental policy.

The course web page is:

<http://www.econ.queensu.ca/thor/Econ817>

There will be a discussion section for this class, held once a week and attendance is mandatory. It is intended to help students with solving the computational exercises in the assignments and to deepen their understanding of material covered in the lecture. Details (time, room, etc.) will be arranged by the TA.

Readings:

There is no required text for this class. A set of class notes will be made available throughout the course containing a section on required readings. Furthermore, there are several useful references for the material presented in class.

Textbooks:

- Stokey, N., Lucas, R. with Prescott, E., *Recursive Methods in Economic Dynamics*, Harvard University Press, Cambridge, 1989.

There is also a solution manual available for the exercises in the book.

- Ljungqvist, L. and Sargent, T., *“Recursive Macroeconomic Theory”*, MIT Press, Cambridge, 2004.
- Cooley, T. (ed.), *“Frontiers of Business Cycle Research”*, Princeton University Press, Princeton, 1995.
- Adda, J. and Cooper, R., *“Dynamic Economics: Quantitative Methods and Applications”*, MIT Press, Cambridge, 2003.

Some References for Computational Methods:

- Marimon, S. and Scott, A. (eds.), “Computational Methods for the Study of Dynamic Economies”, Oxford University Press, Oxford, 1999.
- Miranda, M. and Fackler, P., “Applied Computational Economics and Finance”, MIT Press, Cambridge, 2004.
- Judd, K., “Numerical Methods in Economics”, MIT Press, Cambridge, 1998.

Statement of Academic Integrity

Academic integrity is constituted by the five core fundamental values of honesty, trust, fairness, respect and responsibility (see www.academicintegrity.org). These values are central to the building, nurturing and sustaining of an academic community in which all members of the community will thrive. Adherence to the values expressed through academic integrity forms a foundation for the "freedom of inquiry and exchange of ideas" essential to the intellectual life of the University (see the Senate Report on Principles and Priorities) Students are responsible for familiarizing themselves with the regulations concerning academic integrity and for ensuring that their assignments conform to the principles of academic integrity. Information on academic integrity is available in the Arts and Science Calendar (see Academic Regulation 1), on the Arts and Science website. Departures from academic integrity include plagiarism, use of unauthorized materials, facilitation, forgery and falsification, and are antithetical to the development of an academic community at Queen's. Given the seriousness of these matters, actions which contravene the regulation on academic integrity carry sanctions that can range from a warning or the loss of grades on an assignment to the failure of a course to a requirement to withdraw from the university.

Further information can be found at <http://www.queensu.ca/academicintegrity/home>

Accommodation of Students with Disabilities

Queen's University is committed to achieving full accessibility for persons with disabilities. Part of this commitment includes arranging academic accommodations for students with disabilities to ensure they have an equitable opportunity to participate in all of their academic activities. If you are a student with a disability and think you may need accommodations, you are strongly encouraged to contact Student Wellness Services (SWS) and register as early as possible. For more information, including important deadlines, please visit the Student Wellness website at: <http://www.queensu.ca/studentwellness/accessibility-services/>

To claim an accommodation, students need to approach the instructors as soon as possible. Accommodations will not be granted retroactively.