



UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Advanced Macroeconomics M

1920-2-F8204B025

Learning objectives

Enable students to understand fundamental issues in growth and business cycle theory, and to estimate business cycle models.

Contents

The course presents key developments in advanced macroeconomic theory. The student will be able to interpret the "stylized facts" concerning growth and the business cycle, using advanced tools of modern macroeconomic theory

Detailed program

- The first two components of the course address two key issues: i) what determines long-run growth; ii) why is per capita income in some countries higher than elsewhere. Topics include the role of technical change, savings rate, population growth, knowledge dynamics. The standard distinction between exogenous and endogenous technical change will be discussed at length.
- The third component presents real business cycle models, where technology shocks drive economic fluctuations.
- The fourth component incorporates nominal rigidities (wage and price stickiness) into RBC models, the so called New Neoclassical synthesis. Other frictions will also be considered (consumption habits, variable capacity utilization, capital adjustment costs, cash in advance constraints). Students will learn the basic tools for model simulation.

Prerequisites

Standard undergraduate courses in maths, statistics, micro and macro.

Teaching methods

Classroom lectures and tutorials. Project preparation.

Assessment methods

Written exam (two questions), 50% of final mark. Evaluation focuses on methodological rigour and analysis of theoretical models.

Project preparation, 50% of final mark. Evaluation focuses on knowledge of software and interpretation of empirical results.

Textbooks and Reading Materials

Downloadable files from the course website

Semester

Second semester

Teaching language

Italian
