

Johns Hopkins University  
Advanced Academic Programs  
Applied Economics Master's Degree Program

**Macroeconomic Theory (AS.440.602)**  
**Fall 2017**

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**Course Description**

This course provides a systematic overview of the theory of aggregate output and employment, the rate of interest, and price level determination. Coverage includes the theories of consumption and investment, the demand and supply of money, inflation, unemployment, and economic growth. These topics are discussed in the context of contemporary empirical work on aggregate relationships.

**Course Materials**

Course textbook (required): Chugh, Sanjay K. *Modern Macroeconomics*, MIT Press, 2015.  
Additional background readings will be assigned during the course.

**Grading**

Participation and problem sets: 25%  
Midterm exam: 25%  
Final exam: 50%

**Exam Policy**

Both exams are closed book. Students need only bring a calculator and a pencil/pen for the exams.

## **Course Outline**

We will meet 14 times, which includes 12 lectures and in-class midterm and final exams. The following is a sketch of topics we will cover – it may be modified as the course progresses.

- Introduction, data, and history of macroeconomics (Chugh, Chapters 10-14).
- Consumption, labor supply, and intertemporal choice (Chugh, Chapters 1-3)
- Inflation, interest rates, labor demand, and investment (Chugh, Chapters 4-6)
- Fiscal policy, asset pricing, and aggregate shocks (Chugh, Chapters 7-9)
- Monetary policy (Chugh, Chapters 15-17)
- Financial frictions (Chugh, Chapter 21)
- Economic growth (Chugh, Chapters 25-26)
- The labor market and unemployment (Chugh, Chapters 27-29)