

Name of Subject		Name of Professor
Macroeconomics B		Ryuta Ray Kato
Course description and Attainment target		
<p>Based on certain understanding of materials taught in Macroeconomics A, the course expands the analytical framework to explicitly consider the role of money. Then, the impacts of government activities such as government expenditure, taxes and public debt are explored. Furthermore, the course will cover a popular analytical tool in dynamic macroeconomics at the graduate/research level, which is called the overlapping generations model and a different continuous dynamic macro model.</p>		
Course content		
Week	Theme	Contents
1st	Money and Prices	An introduction of Money to an equilibrium business cycle model
2nd	Inflation, Money Growth, and Interest Rates	Inflation, real and nominal variables
3rd	Money and Business Cycle I	Sticky Price of goods and non-neutrality of money in the short run
4th	Money and Business Cycle II	The New Keynesian Model
5th	World Markets in Goods and Credit	International Macroeconomics
6th	Exchange Rates	Different currencies in the World Market
7th	Government Activities I	Government Expenditure
8th	Government Activities II	Taxes in Macroeconomics
9th	Government Activities III	Public Debt
10th	Overlapping Generations Model I	The Structure of the OLG model
11th	Overlapping Generations Model II	Government in the OLG model
12th	Overlapping Generations Model III	Government Bonds in the OLG model
13th	Continuous Dynamic Models	The Solow Model Reconsidered
14th	Final exam and answers	Final exam and provision of answers
Prerequisites and registration requirements		
<p>There is no specific prerequisite. However, interest in economics and enthusiasm to try to understand the macroeconomics framework. If economics background is relatively weak, strong effort to get familiar with mathematical tools is also essential.</p>		
Preparation for the course		
<p>Students are strongly suggested to go through suggested study materials such as supplementary textbooks prior to each session. If the background in economics and/or mathematical tools is relatively weak, additional materials will be introduced, which should also be studied before attending the session.</p>		
Text books		
<p>Barro, Robert J., Angus C. Chu, and Guido Cozzi (2017), <i>Intermediate Macroeconomics</i>, 1st Edition, Cengage ISBN-13: 9781473725096 ISBN-10: 1473725097 Since a very high discount rate for a purchase is applicable only through the instructor, students should contact the instructor before students intend to purchase it.</p>		
Suggested readings		
<p>While any textbook on macroeconomics is useful to understand this course, the following book is suggested to go through. McCandless, George T Jr. with Neil Wallace (1992) <i>Introduction to Dynamic Macroeconomic Theory: An Overlapping Generations Approach</i>, Harvard University Press ISBN-10: 0674461118, ISBN-13: 978-0674461116 McCandless, George (2008) <i>The ABCs of RBCs: An Introduction to Dynamic Macroeconomic Models</i>, Harvard University Press ISBN-10: 0674028147, ISBN-13: 978-0674028142</p>		
Grading policy		
<p>Two written exams (midterm and final exams) : 80% Two assignments : 20% Note: Two written exams (midterm and final) are both open exams.</p>		
Other		