

Macroeconomics A: EI056

Quizz

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1 Filtering

Question: The real business cycle literature uses “Hodrick-Prescott” filtering of the data. What does this procedure do?

2 Solow residuals

Question: What are the Solow residuals?

3 Stylized facts

Question: What are the main business cycle facts, and the great ratios, that a model should match?

4 Intertemporal labor supply

Question: Explain how the labor supply can be understood in an intertemporal way.

5 Key aspects of the RBC view

Question: What is the view of business cycles developed in the RBC framework?

6 Extensions (extra)

Question: Is the baseline model successful? What are the extensions of the “high elasticity” model compared to the baseline one? Why are they useful?