

Course Outline, Term 2, Weeks 6-10, ECON0107, Graduate Macroeconomics

Topic 1: Empirical Macroeconomics

- Christina Romer and David Romer, 1989, “Does Monetary Policy Matter? A New Test in the Spirit of Friedman and Schwartz,” **NBER Macroeconomic Annual**.
- Christina Romer and David Romer, 2004, “A New Measure of Monetary Policy Shocks: Derivation and Implications,” **American Economic Review** 94(4), 1055-84.
- Valerie Ramey, 2016, “Macroeconomic Shocks and Their Propagation,” NBER Working paper 21978.
- Marek Jarocinski and Peter Karadi, 2020, “Deconstructing Monetary Policy Surprises: The Role of Information Shocks.” **American Economic Journal: Macroeconomics**.
- Uribe, Martin, 2019, “The Neo-Fisher Effect: Econometric Evidence from Empirical and Optimizing Models,” NBER working paper.
- Karel Mertens and Morten O. Ravn, 2013, “The Dynamic Effects of Personal and Corporate Income Tax changes in the United States,” **American Economic Review**.
- Ramey, 2016, "Macroeconomic Shocks and Their Propagation", **Handbook of Macroeconomics**, available at http://econweb.ucsd.edu/~vramey/research/Shocks_HOM_Ramey.pdf.
- Ramey and Zubairy, 2018, “Government Spending Multipliers in Good Times and in Bad: Evidence from US Historical Data,” **Journal of Political Economy**.
- James Stock and Mark Watson, 2018, “Identification and Estimation of Dynamic Causal Effects in Macroeconomics Using External Instruments”, **Economic Journal**. https://scholar.harvard.edu/files/stock/files/working_idandestimation_jan2018.pdf

Topic 2: Standard Models of Aggregate Fluctuations

- Bloom, Nicholas , 2009, “The Impact of Uncertainty Shocks”, **Econometrica**, May vol. 77, pp. 623-685.

- Bloom, Nicholas, Floetotto, Max, Jaimovich, Nir, Saporta-Eksten, Itay and Stephen Terry, 2018: “Really Uncertain Business Cycles”, **Econometrica**.
- Chari, Kehoe and McGrattan, 2008, “Are Structural VARs with Long-Run Restrictions Useful in Developing Business Cycle Theory?”, **Journal of Monetary Economics**.
- Jaimovich, Nir and Sergio Rebelo, 2009, “Can News About the Future Drive the Business Cycle?”, **American Economic Review** 99, 1097-1118.
- Paul Beaudry and Franck Portier, 2006, “Stock Prices, News and Business Cycles”, **American Economic Review** 96, 1293-1307.
- Paul Beaudry and Franck Portier, 2007. "When can changes in expectations cause business cycle fluctuations in neo-classical settings?," *Journal of Economic Theory*, vol. 135(1), pages 458-477, July.
- Schmitt-Grohe, Stephanie and Martin Uribe, 2012, “What’s News in Business Cycles”, **Econometrica**, November vol.80, 2733-64.
- Edmonds, Chris, Virgiliu Midrigan, Daniel Xu, 2023, “How Costly Are Markups?,” **Journal of Political Economy**, 131(7), 1619-75.
- Basu, Susanto, and John Fernald, “Returns to Scale in U.S. Production: Estimates and Implications,” **Journal of Political Economy**, 105(2), 249-283.
- Fernald, John, “A Quarterly Utilization-Adjusted Series on Total Factor Productivity,” Federal Reserve Bank of San Francisco WP 2012-19.

Topic 3: Models with Frictions

- Burnside, Eichenbaum and Rebelo, 1996, “Factor Hoarding and the Propagation of Business-Cycle Shocks,” **American Economic Review**, 86(5), 1154-74.
- Burnside, Eichenbaum and Rebelo, 1993, “Labor Hoarding and the Business Cycle,” **Journal of Political Economy**, 101(2), 245-73.
- Gali, Smets and Wouters, 2012, “Unemployment in an Estimated New Keynesian Model,” NBER Macro Annual 2011.
- Blanchard and Gali, 2010, “Labor Markets and Monetary Policy,” **AEJ: Macro** 2(2), 1-30.

Topic 4: Incomplete Markets

- Kaplan, Greg, and Gianluca Violante, 2014, “A Model of the Consumption Response to Fiscal Stimulus Payments,” **Econometrica** 82(4), 1199-1239.
- Kaplan, Greg, Gianluca Violante, and Justin Weidner, 2018, 2014, “The Wealthy Hand-to-Mouth,” **Brookings Papers on Economic Activity**, spring.
- Kaplan, Greg, Benjamin Moll and Gianluca Violante, 2018, “Monetary Policy According to HANK,” **American Economic Review**.
- Ravn, Morten O. and Vincent Sterk, “Job Uncertainty and Deep Recessions”, **Journal of Monetary Economics**, October 2017.
- Ravn, Morten O. and Vincent Sterk, 2021, “Aggregate Fluctuations with HANK&SAM: An Analytical Approach”, **Journal of the European Economic Association**.
- Faccini, Renato, Seungcheol Lee, Ralph Luetticke, Morten O. Ravn, and Tobias Renkin, 2025, “Financial Frictions: Micro vs. Macro Volatility,” forthcoming, **American Economic Review**.