

Dynamic Macro Group

Part I: Macroeconomic data and analysis

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The first part of this project involves standard data processing of macroeconomic, monetary, and fiscal aggregates. The primary goal is to utilize these data for macroeconomic analysis by applying the main analytical and computational tools introduced in MT2.

I have also included some references that should help deepen your understanding and enhance your skills in these topics. My suggestion is to employ the Jordà-Schularick-Taylor Macrohistory Database (see www.macrohistory.net/database/). You are free to select one or more countries.

1. Conduct business cycle analysis. (see e.g., [MT2 lecture slides 2](#). **Additional reading:** Sargent and Stachurski Chapter 3, Kydland and Prescott (1990) and Jordà et al. (2017))
2. Conduct an analysis of the monetary aggregates of each economy (monetary cycles). (see e.g., [MT2 lecture slides 5](#). **Additional reading:** Sargent and Stachurski Chapter 4).
3. Conduct a fiscal sustainability analysis. (see e.g., [MT2 lecture slides on Public Debt](#). **Additional reading:** Sargent and Stachurski Chapters 28-29, Hall and Sargent (2022) and Economides et al. (2024)).

References

- George Economides, Giota Kolioussi, Natasha Miaouli, and Apostolis Philippopoulos. From debt arithmetic to fiscal sustainability and fiscal rules: taking stock and policy lessons. GreeSE – Hellenic Observatory Papers on Greece and Southeast Europe 194, Hellenic Observatory, LSE, March 2024. URL <https://ideas.repec.org/p/hel/greese/194.html>.
- George J. Hall and Thomas J. Sargent. Three world wars: Fiscal–monetary consequences. *Proceedings of the National Academy of Sciences*, 119(18):2200349119–, May 2022. URL <https://ideas.repec.org/a/nas/journal/v119y2022pe2200349119.html>.
- Òscar Jordà, Moritz Schularick, and Alan M. Taylor. Macrofinancial history and the new business cycle facts. *NBER Macroeconomics Annual*, 31:213–263, 2017. doi: 10.1086/690241. URL <https://doi.org/10.1086/690241>.
- Finn E. Kydland and Edward C. Prescott. Business cycles: real facts and a monetary myth. *Quarterly Review*, 14(Spring):3–18, 1990. URL <https://ideas.repec.org/a/fip/fedmqr/y1990isprp3-18nv.14no.2.html>.
- Thomas J Sargent and John Stachurski. *A First Course in Quantitative Economics with Python*. QuantEcon. URL <https://intro.quantecon.org/intro.html>.