R201 Advanced Macroeconomics II

Aims and Objectives
This course builds on the methods and concepts introduced in Advanced Macroeconomics I (R200) in order to analyse macroeconomic problems. The course provides a modern treatment of canonical macroeconomic models of unemployment, aggregate demand fluctuations, monetary policy and open economy issues.

Topics to be covered
1) Dynamic New Keynesian Models
   - Introduction to the Dynamic New Keynesian Model
   - Monetary Policy: Optimality, Commitment and Discretion
   - Extensions to basic Dynamic New Keynesian Model (time permitting)

2) Search and Matching Models of Unemployment
   - The Diamond-Mortensen-Pissarides framework
   - Unemployment and Business Cycles
   - Extensions to the basic Search and Matching Model (time permitting)

3) Introduction to International Macroeconomics
   - Dynamic General Equilibrium in Open Economies
   - Complete and Incomplete Markets Formulations

Assessment
The examination for this module will be by a 2-hour written exam.

Readings
The main textbook for this course will be:

We will supplement this with other textbook readings and general surveys depending on topic. Detailed readings will be available in the lecture course outlines.