

Course Syllabus

Macroeconomic Theory (EC_50400&EC_M5050)

Instructor: *Ming-Jen Chang*, Spring 2025

Professor Office Hours: by appointment

Office: D410, Humanities I

Email: mjchang@gms.ndhu.edu.tw

Phone: 5551

Lecture: Monday 9:10am- , once two weeks (D220, Humanities I)

Objectives: This course is constructed to familiarize students with the skills of modern macroeconomic theory at the graduate level. Models are developed to explain how growth model, real business cycles, Keynesian theory and microeconomic foundation models are determined.

Prerequisites: ECN 1B or their equivalents. The course does need to use calculus and linear algebra.

Text: *Advanced Macroeconomics, 5th Edition*, David Romer, 2019, New York, NY: McGraw-Hill/Irwin (ISBN 978-1260185218).

Outline of Topics:

Topic 1: The Solow Growth Model (chapter 1)

Topic 2: Infinite-Horizon and Overlapping-Generations Models (chapter 2)

Topic 3: Endogenous Growth (chapter 3)

Topic 4: Real-Business-Cycle Theory (chapter 5)

Topic 5: Nominal Rigidity (chapter 6)

Topic 6: Dynamic Stochastic General-Equilibrium Models of Fluctuations (chapter 7)

Topic 7: Financial Markets and Financial Crises (chapter 10)

Topic 8: Monetary Policy (chapter 12)

Evaluation: The course grade will be based on participation rate, a presenting, a midterm exam, and a comprehensive final term [5% participation rate + 35% presenting + 30% midterm + 30% final term].

Calendar of Lectures

Feb. 17	x
Feb. 24	topic 1
Mar. 3	x
Mar. 10	topic 2
Mar. 17	x
Mar. 24	topic 3
Mar. 31	x
Apr. 7	no class (spring break)
Apr. 14	Midterm
Apr. 21	x
Apr. 28	topic 4
May 5	x
May 12	topic 6 + presenting
May 19	x
May 26	presenting
Jun. 2	x
Jun. 9	presenting & Final term

Reading list:

[1] Alvarez, J., J.C. Bluedorn, N.-J. Hansen, Y. Huang, E. Pugacheva and A. Sollaci, (2024). Wage–price spirals: what is the historical evidence?, *Economica* 91, 1291–1319.

[2] Alvarez, F., F. Lippi and A. Oskolkov, 2022, The macroeconomics of sticky prices with generalized hazard functions, *Quarterly Journal of Economics* 137, 989–1038.

[3] Berger, D., L. Bocola and A. Dovis, 2023, Imperfect risk sharing and the business cycle, *Quarterly Journal of Economics* 138, 1765–1815.

[4] Céspedes, L.F. and R. Chang, 2024, Optimal foreign reserves and central bank policy under financial stress, *American Economic Journal: Macroeconomics* 16, 230–267.

[5] Chi, C.-C., S. Schmitt-Grohé and M. Uribe, 2025, Optimal bank reserve remuneration and capital control policy, *American Economic Journal:*

Macroeconomics 17, 203–244.

[6] Czudaj R.L., 2025, Expectation formation and the Phillips curve revisited, *Macroeconomic Dynamics* 29, e2. [1] Debortoli, D. and J. Galí, 2024, Idiosyncratic income risk and aggregate fluctuations, ***American Economic Journal: Macroeconomics*** 16, 279–310.

[7] Deng, M., 2024, Inequality, taxation, and sovereign default risk, ***American Economic Journal: Macroeconomics*** 16, 217–249.

[8] Fan, X., A. Seshadri and C. Taber, 2024, Estimation of a life-cycle model with human capital, labor supply, and retirement, ***Journal of Political Economy*** 132, 48–95.

[9] Lee, B., 2025, Wealth inequality, aggregate consumption, and macroeconomic trends under incomplete markets, ***American Economic Journal: Macroeconomics*** 17, 414–42.

[10] Pindyck, R.S., 2024, Population, productivity, and sustainable consumption, ***American Economic Journal: Macroeconomics*** 16, 218–38.

[11] Zurita J., 2025, Does household debt affect the size of the fiscal multiplier? ***Macroeconomic Dynamics*** 29, e5.