

## Topics in macroeconomics 2

Course title – Intitulé du cours	Topics in macroeconomics 2
Level / Semester – Niveau / semestre	L3S6 : Eco, EM, ED
Lecturer – Enseignant responsable	Loïc Batté
Teaching assistant – Chargé de TD	Doğukan Güney
Teaching assistant – Chargé de TD	Andrei Zaloilo
Teaching assistant – Chargé de TD	Oscar Vilargunter Perez
Teaching assistant – Chargé de TD	Gerard Maideu Morera
Lecture Hours – Volume Horaire CM	30
TA Hours – Volume horaire TD	15
Language of instruction – Langue du cours	English <sup>1</sup>
Language for tutorials – Langue des TD et/ou TP	English <sup>2</sup>

### **Teaching staff contacts – Coordonnées de l'équipe pédagogique :**

Loïc Batté: [loic.batte@tse-fr.eu](mailto:loic.batte@tse-fr.eu) – Information about office hours will be provided to the students at the start of the course. All the TAs shall provide their email on their first tutorial session.

### **Course Objectives – Objectifs du cours :**

This course is meant as an introduction to modern macroeconomics. It presents the foundations of the mainstream methods of analysis for macroeconomists at the professional level, in comparatively simple frameworks.

In this course, we will start by studying various topics students should already be familiar with, such as labor, consumption and savings, and investment. In order to do so, we will make explicit use of microeconomic foundations to get aggregate economic behavior. The theory is presented in a general equilibrium setting, and considers the economy as a dynamic system. The first chapters will then build into a simple real-business-cycle model to study aggregate fluctuations. We will then examine the role of money in an overlapping-generations (OLG) setting, and study the quantitative theory of money and hyperinflation.

Relevant real-world applications to the theory will be presented whenever possible. It is useful to bear in mind that the toolkit to analyze them in a very formal way is still incomplete.

### **Prerequisites – Prérequis :**

- Mathematics: differential calculus; real analysis; constrained optimization.

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<sup>1</sup> As the lecturer is a French native speaker, students should feel free to interact in French whenever English becomes a serious obstacle to comprehension, provided it does not prevent non-French speakers from following the lectures.

<sup>2</sup> None of the teaching assistants is a French native speaker, so English should remain the main language for interactions during the tutorials.

- Microeconomics: producer theory, consumer theory, general equilibrium (undergrad level); basics of welfare analysis.
- Macroeconomics: national accounts; growth theory; AS-AD model; notions of business cycle analysis and macroeconomic policy.
- English: B2 level.

**Practical information about the sessions – Modalités pratiques de gestion du cours :**

No remote teaching/learning unless necessary. Attending the tutorials is mandatory. The use of electronic devices with Internet connection is allowed provided they are used for class purposes (taking notes, downloading and editing the handouts...). The lecturer reserves the right to establish additional rules to foster good working conditions in class.

**Grading system – Modalités d'évaluation :**

To complete the class, students will have to sit for two written exams:

- A mid-term exam (1h) that accounts for 40% of the final grade.
- A final exam (1h30) that accounts for 60% of the final grade.

**Bibliography/references – Bibliographie/références :**

- Garin, Lester & Sims: "Intermediary Macroeconomics" (available [online for free](#)).
- Pablo Kurlat: "A Course in Modern Macroeconomics" (available [online for a small fee](#)).
- Olivier Hairault & al (2000): « Analyse macroéconomique », La Découverte.
- Dirk Niepelt: "Macroeconomic Analysis", MIT Press.
- Edouard Challe: "Macroeconomic Fluctuations and Policies" (French version available).
- Michel de Vroey (2016): "A history of macroeconomics: from Keynes to Lucas and beyond".

**Session planning – Planification des séances**

- Macro in general equilibrium:
  - o Chapter 1: Robinson Crusoe macro (2 weeks)
  - o Chapter 2: consumption & savings (2 weeks)
  - o Chapter 3: investment & capital accumulation (2 weeks)
- Money and inflation
  - o Chapter 4: OLG models (2 weeks)
  - o Chapter 5: hyperinflation (2 weeks)

**Remote learning – Enseignement à distance :**

If necessary, remote learning solutions will be provided.