Advanced Macroeconomics

This class is an advanced class in macroeconomics that is designed for students who majored in economics as undergraduates or have taken 33040 and would like to learn more. The course will have an extremely applied focus and teach tools and facts that would be relevant for people who need to understand aspects about the macroeconomy for their jobs, particularly in consulting or financial services. Each week we will cover a different topic. The provisional list of topics to be covered are:

How do financial markets respond to the monthly employment report and why?

Can we anticipate moves by central banks?

How should we judge and use macroeconomic forecasts?

What do we know about the origins of income inequality, how to measure it and its effects?

Inflation, what do we know and not know about it?

What macro challenges does China face?

What will be the impact aging on the global economy?

Which labor market outcomes are most important and which trends do we understand and which are puzzling?

What do we know about predicting financial crises?

Jan Hatzius, chief economist at Goldman Sachs, will be a guest lecturer in the class on macroeconomic forecasting to be held on April 6. I will finalize the exact list of topics and post that information along by February 1 (ahead of when bidding will begin.)

There are two prerequisites, 33040 the basic macroeconomics class (or an equivalent undergraduate class) and 40000 the basic business statistics class (or an equivalent). Students will be expected to be able to estimate and interpret a multiple regression.

For the first class, you should download the case that is posted in Canvas and complete the questions at the back of the case. If you are not registered, you can also access the case from my the teaching page on my website: https://faculty.chicagobooth.edu/ani.kashyap/teaching.html

Please make sure to sign the honor code and follow the honor code rules that are also posted in Canvas.

If you are trying to decide whether to take the class, the first case is a good indicator of the difficulty of the material and the work load.

Grades for the course will be based on a combination of homework, case write-ups, and in class exams. More details on the exact grading rules will also be posted by February 1.