Syllabus

[cmcd.economia@fgv.br]

Course: Macroeconomics II
Professor:

2026 FIRST SEMESTER

COURSE OUTLINE

The course covers search-theoretic models of the labor market and search models of money. financial frictions, banks, collateral, and overlapping generation models.

BIBLIOGRAPHY

TEXTBOOKS
Romer, "Advanced Macroeconomics"

LABOR MARKET FRICTIONS
Rogerson, Shimer and Wright, "Search Theoretic Models of the Labor Market: Survey", JEL 2005

FINANCIAL FRICTIONS
Dang, Holmstrom, Gorton and Ordonez, "Banks as Secret Keepers", AER, 2017
Diamond and Dybvig, "Bank Runs, Deposit Insurance, and Liquidity, JPE 1983
Gorton and Ordoñez, "Collateral Crises", AER, 2014
Holmstrom and Tirole, "Financial Intermediation, Loanable Funds, and the Real Sector", QJE, 1997
Kiyotaki and Moore, "Credit Cycles", JPE, 1997

GRADING

Final exam worth 80%. Problem sets 20%.

A re-evaluation with maximum grade 6 is arranged for those students that did not pass the first test. The re-aval will take place in the first week of July.

PROFESSOR – EMAIL

PROGRAM

Introduction	Dynamic Optimization	Recursive Macroeconomic Theory
Labor Market Frictions	Random Search	Search Theoretic Models of the Labor Market: Survey – Decision Theory
	Random Search	Search Theoretic Models of the Labor Market: Survey – Equilibrium Theory
Financial Frictions Information	Liquidity	New Monetarist Models
	Collateral I	Collateral Crisis (AER, 2014)
	Banks I – Liability Side	Banks as Secret Keepers (AER, 2017)
	Banks I – Asset Side	Financial Intermediation, Loanable Funds, and the Real Sector (QJE, 1997)
Financial Frictions Fragility	Banks II	Bank Runs, Deposit Insurance, and Liquidity (JPE, 1983)
Financial Frictions Cycles	Collateral II	Credit Cycles (JPE, 1997)
Overlapping Generations	Growth Dynamic Efficiency	Romer, Advanced Macroeconomics
	Prova Final	