

Syllabus: Macroeconomics ECOM021

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1 Course Description

This course gives a graduate level introduction to fundamental issues in modern macroeconomics. The course is intended to make students familiar with foundational methods and models used in macroeconomic research. The purpose is to provide students with a rigorous framework to understand and analyze macroeconomic questions.

2 Essential Readings

- Michael Wickens *Macroeconomic Theory: A Dynamic General Equilibrium Approach*, 2nd Edition.
- David Romer *Advanced Macroeconomics*, 4th Edition.
- Robert Barro & Sala-i-Martin *Economics Growth*, 2nd Edition.

3 Assessment

Class assessment consists of a class test in week 8 (in-p), group project and a final exam (in-person). The group project will ask to numerically implement a model from week 5.

- Class test: 25%.

- Group project: 15%.
- Final Exam: 60%.

4 Schedule

- Week 1: *Introduction*: What is macro? Brief history. GDP accounting. Optimization, Taylor expansion recap.
- Week 2: *Neoclassical model (centralized)*. Deriving the model. (Wickens Ch.2 and Romer Ch. 2A).
- Week 3: *Neoclassical model (centralized)*. Comparative statics (Wickens Ch.2 and Romer Ch. 2A).
- Week 4: *Neoclassical model: decentralized*. Role of general equilibrium, labor supply choice, consumption function (Wickens Ch 4).
- Week 5: *Real Business Cycles*. Business cycle facts, model numerical implementation. (Wickens Ch.14, Romer Ch.5)
- Week 6: *Government*. Government budget, debt sustainability (Wickens Ch.5)
- Week 7: *New-Keynesian models*. Brief history, introduction to New Keynesian models (Romer Ch. 6, my lecture notes)
- Week 8: *New-Keynesian models*. Introduction to New Keynesian models (Romer Ch. 6, my lecture notes)
- Week 9: *Growth*. Growth facts, Solow model. (Romer Ch.1)
- Week 10: *Growth*. Growth facts, Solow model. (Romer Ch.1)
- Week 11: Revision.