

Alok Johri and Pau Pujolas
Winter 2016
Monday: 11:30-2:30 pm

Economics 742 : Advanced Topics in Money and Growth Part II

This is an advanced topics course for Phd students interested in writing their thesis in the broad area of Macroeconomics including monetary economics and growth. The course topics, style and instructors change every year depending on who is teaching and who is taking the course. This term Prof Pujolas and Johri will be teaching the course in two 6 week segments starting with Johri. We will focus on exposing students to a number of numerical tools that are in widespread use among macroeconomists in the context of work that we are currently engaged in or interested in doing. In addition both instructors will cover some papers. The course is divided into two 6 week halves. There is a term paper requirement associated with both halves of the course. The goal of these papers is to demonstrate mastery of the tools that have been covered in class as well as to make an initial dent in writing your thesis. Options for term papers will be discussed in class. For both halves of the course students must present papers in class. Students will be evaluated on a continuous basis and must show evidence in each class that they have read the assigned material and must participate in class discussions. There is no test or exam.

Grading Scheme: Term paper: 25%+25%, Presentation: 15%+15%, Class-participation: 20% or as discussed in class.

Readings for Part II

Heterogeneous firms

Lucas, 1978: "On the size distribution of business firms", The Bell Journal of Economics, 9(2)
Related papers:

Evans and Jovanovic, 1989: "An estimated model of entrepreneurial choice under liquidity constraints", JPE

Garicano, 2000: "Hierarchies and the Organization of Knowledge in Production" JPE

Garicano and Rossi-Hansberg, 2006: "Organization and Inequality in a Knowledge Economy," QJE

Grobovsek, 2012: "Management and Aggregate Productivity", wp

Hopenhayn, 1992: "Entry, Exit, and Firm Dynamics in Long Run Equilibrium", Econometrica, 60(5)
Related papers:

Jovanovic, 1982: "Selection and the Evolution of Industry", Ecma

Hopenhayn and Rogerson, 1993: "Job turnover and policy evaluation: A general equilibrium analysis", JPE

Hopenhayn, 2011: "Firm Microstructure and Aggregate Productivity", JMCB

Melitz, 2003: "The Impact Of Trade On Intra-Industry Reallocations And Aggregate Industry Productivity," Ecma

Rogerson and Resutccia 2008: "Policy Distortions and Aggregate Productivity with Heterogeneous

Plants” Review of Economic Dynamics, 11(4)

Guner, Ventura and Xu, 2008: “Macroeconomic Implications of Size-Dependent Policies”, Review of Economic Dynamics, 11(4)

Guner, Ventura, Gustavo and Xu, 2006: "How costly are restrictions on size?," Japan and the World Economy, 18(3)

Hsieh and Klenow, 2009: "Misallocation and Manufacturing TFP in China and India," The Quarterly Journal of Economics, 124(4)

Related Papers to 9/30 and 10/7:

Hsieh and Klenow, 2012: “The Life Cycle of Plants in India and Mexico” wp

Bhattacharya, Guner and Ventura, 2013: "Distortions, Endogenous Managerial Skills and Productivity Differences," RED

Adamopoulos and Restuccia, 2012: "Land Reform and Productivity: A Quantitative Analysis with Micro Data” wp

Restuccia and Rogerson, 2013: "Misallocation and productivity," RED

Garcia-Santana, 2013: "Foreign Firms, Distribution of Income, and the Welfare of Developing Countries" wp

Great Depressions.

The Neoclassical Growth Model. Theory and Data

Cole and Ohanian (2002),

Kehoe and Prescott (2007),

Conesa, Kehoe, and Ruhl (2007).

Conesa and Kehoe (2014)

Recommended textbook: "Great Depressions of the Twentieth Century" edited by Tim J. Kehoe and Ed C. Prescott. More information at: <https://www.greatdepressionsbook.com>