

UNIVERSITY OF COLORADO  
Department of Economics

FALL 2024

Instructor: Martin Boileau  
Class: ECON 5 MW 11:15 – 12:30  
Office: ECON 210A MW 12:30 – 13:30  
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This course is an introduction to modern macroeconomic theory. We will focus our attention on dynamic optimization and general equilibrium models.

The course has two objectives. The first is the presentation of the tools required to study dynamic, stochastic, and general equilibrium models. The second is the application of these tools to topics in macroeconomics.

The course has two integral components:

1. Courses: Hopefully, in person.
2. Recitations: The recitations will use the main material to go deeper into topics in macroeconomics.

The assessment for this class consists of two (2) term tests and a final examination. Tests and final exam are closed notes and closed books. No make-up tests will be given. The tentative schedule and the grade distribution are displayed in the table below.

Test 1	2 October	25
Test 2	13	

Ljungqvist, Lars and Thomas J. Sargent, *Recursive Macroeconomic Theory*, Cambridge: MIT Press.

Azzimonti, Marina, Per Krusell, Alisdair McKay, and Toshihiko Mukoyama, *Macroeconomics*, <https://phdmacrobook.org/>

Barro, Robert J. and Xavier Sala-i-Martin, *Economic Growth*, New York: McGraw Hill.

Blanchard, Olivier J. and Stanley Fischer, *Lectures on Macroeconomics*, Cambridge: MIT Press.

Dixit, Avinash K., *Optimization in Economic Theory*, Second Edition, Oxford: Oxford University Press.

Farmer, Roger E., *The Macroeconomics of Self-Fulfilling Prophecies*, Cambridge: MIT Press.

1. Background Issues  
Blanchard and Fischer: Chapter 1  
Romer: Introduction
2. Tools and Models  
Dixit: Chapters 1 through 8
3. National Income Accounting for Closed Economies

1. Background Issues
2. The Solow Growth Model  
Azzimonti et al.: Chapter 3  
Barro and Sala-i-Martin: Chapter 1  
Romer: Chapter 1  
Solow, Robert M., 1956, A Contribution to the Theory of Economic Growth, *Quarterly Journal of Economics* 70, 65--94.

1. Consumption  
Boileau, Lecture Notes Sections 1 through 3
2. A Pure Exchange Economy  
Boileau, Lecture Notes Section 4  
Farmer: Chapter 4
3. A Production Economy  
Boileau, Lecture Notes Sections 5 and 6

1. Dynamic Programming  
Azzimonti et al.: Chapter 4  
Dixit: Chapters 10 and 11  
Ljungqvist and Sargent: Chapters 2 to 5

2. The Neoclassical Growth Model  
Boileau, Lecture Notes.  
Azzimonti et al.: Chapters 4 and 5  
Ljungqvist and Sargent: Chapter 15

3. Overlapping Generations  
Boileau, Lecture Notes.  
Azzimonti et al.: Chapter 5  
Romer: Chapter 2 part B

1. Hamiltonian

## 1. A Real Business Cycle Model

Students and faculty are responsible for maintaining an appropriate learning environment in all instructional settings, whether in person, remote, or online. Failure to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, marital status, political affiliation, or political philosophy.

For more information, see the [classroom behavior policy](#), the [Student Code of Conduct](#), and the [Office of Institutional Equity and Compliance](#).

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to your faculty member in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the

