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## Course in Monetary Economics

### Syllabus

- **Intro**

Lucas (1976), Lucas (1987)

- **The role of money/nominal rigidities: Some facts**

Galí (2008): Chapter 1, Walsh (2010): Chapter 1, Christiano, Eichenbaum, and Evans (1999)

- **A classical monetary model**

Galí (2008): Chapter 2

- **The New Keynesian model**

- Monopolistic competition and nominal rigidities: Blanchard and Kiyotaki (1987), Kehoe and Midrigan (2012)
- The basic model: Galí (2008): Chapter 3, Walsh (2010): Chapter 6, 8-8.3
- The Taylor principle

- **Empirical assessment: Single-equation approach**

- Euler equation Fuhrer (2000)
- *NKPC*: Galí and Gertler (1999), Fuhrer (2011), Mavroeidis (2005)
- Taylor rule and the *Great moderation*: Clarida, Galí, and Gertler (2000), Orphanides (2002), Mavroeidis (2010), Justiniano and Primiceri (2008), Fernández-Villaverde, Guerrón-Quintana, and Rubio-Ramírez (2010)

- **Adding bells and whistles: the medium-scale NK model**

- Variable capital utilization, investment adjustment costs
- Sticky wages: Galí (2008): Chapter 6-6.1
- cost-channel: Rabanal (2007)

- Liquidity effect: Walsh (2010): Chapter 5.3.1, Christiano and Eichenbaum (1992)
  - Empirical Assessment Christiano, Eichenbaum, and Evans (2005), Smets and Wouters (2007), Altig, Christiano, Eichenbaum, and Lindé (2011), Christiano, Trabandt, and Walentin (2011)
- **Trend Inflation**
- Ascari and Sbordone (2013)
- – Trend inflation and the NKPC: Cogley and Sbordone (2008), Benati (2008)
  - Trend inflation and monetary policy: Ascari (2004), Ascari and Ropele (2009), Coibion and Gorodnichenko (2011)
  - Disinflation in an NK model: Ascari and Merkl (2009), Ascari and Ropele (2011)
  - Trend Inflation and price-setting models: Ascari and Rossi (2012)

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