

# Topics in Quantitative Macroeconomics

Jesús Bueren  
European University Institute, 2018-2019

**Objective.** The goal of this course is to introduce students to life-cycle macroeconomics models with heterogeneous agents, with a special emphasis on policy evaluation and welfare analysis. For this purpose, students are trained in solution methods to solve these models in the computer.

## Content

1. Solving the household problem
2. Finding the steady state equilibrium
3. Accuracy
4. Students workshops
  - Income uncertainty and consumptions responses
    - F. Guvenen and A. Smith. Inferring labor income risk and partial insurance from economic choices. *Econometrica*, 6(82):20852129, 2014
    - G. Kaplan and G. Violante. A model of the consumption response to fiscal stimulus payments. *Econometrica*, 4(82):11991239, 2014
  - Health risks and the savings of the old
    - M. De Nardi, E. French, and J. Jones. Why do the elderly save? the role of medical expenses. *Journal of Political Economy*, 118(1):3975, 2010,
  - Human capital accumulation and earnings inequality
    - M. Huggett, G. Ventura, and A. Yaron. Sources of lifetime inequality. *American Economic Review*, 101(7):29232954, 2011
    - F. Guvenen, B. Kuruscu, and S. Ozkan. Taxation of human capital and wage inequality: A cross-country analysis. *Review of Economic Studies*, 81:818850, 2014,

**Evaluation.** 1/3 final exam + 1/3 computer assignments + 1/3 presentation