

Potential Macroeconomic Topics for the Senior Exercise

Measurement

- National Income Accounts Identities
- Nominal GDP
- Real GDP
- GDP Deflator
- Consumer Price Index
- Unemployment Rate
- Natural Rate of Unemployment
- Present Discounted Value
- Interest Rates/Yield to Maturity
- Fisher Equation
- Okun's Law

Long-Run Equilibrium Models and Economic Growth

- Growth Accounting
- Production Function
- Factor Markets
 - Labor
 - Capital
- Total Factor Productivity
- Solow Model
- Steady-State Equilibrium
- Convergence
- Golden Rule
- Endogenous Growth
- Quantity Theory

Short-Run Equilibrium Models and Business Cycles

- Intertemporal Choice Model
- Goods Market Equilibrium (Savings and Investment)
- Income Multiplier Concept
- Money Market Equilibrium
- Simultaneous Goods and Money Market Equilibrium
- AS/AD (in growth rates *and* levels)
- Phillips Curve
- Causes of business cycles
- Business cycle theories
 - Real Business Cycle theory
 - Keynesian Business Cycles
- Countercyclical Policy

Monetary Policy

- Structure of Federal Reserve
- Federal Reserve System Balance Sheet
- Money Supply Process
- Monetary Base
- Measures of the Money Supply (eg M1 and M2)
- Money Multiplier
- Monetary Policy Tools (eg open market operations and interest on reserves)
- Lender of Last Resort
- Rules vs. Discretion and Time Consistency
- Dual Mandate and Taylor Rule

Fiscal Policy

- Taxation
- Government Spending
- Government Budget Constraint
- Crowding Out and Ricardian Equivalence
- Debt sustainability

International Finance

- Balance of Payments
- Nominal vs. Real Exchange rates
- Short run and long run models of exchange rates
- Purchasing Power Parity
- Macroeconomic equilibrium in an open economy (eg Savings and Investment in an open economy)