Economics 210B - Second Half
Macroeconomics

210B focuses on the microfoundations of the determinants of key aggregate variables, such as consumption, investment, employment, output, and asset prices. The first half of 210B discussed consumer behavior and asset prices. The second half of 210B studies labor markets and investment.

* indicates required reading.

I. Labor Markets

A. Neoclassical Approaches


B. Models with Equilibrium Unemployment


* David Romer *Advanced Macroeconomics* Chapter 9: “Unemployment.”

II. Fixed Investment

A. Fixed Investment under Certainty


* David Romer, *Advanced Macroeconomics*, Ch. 8 “Investment.”


B. The Effect of Uncertainty on Investment


III. Inventory Investment


