Section 1: What is money and price! (1/3 course)

I. Money in OLG Models (2 sessions)

II. Cash-in-Advanced theory (1 session)
- "Monetary Policy Shocks: What Have We Learned and to What End?" Handbook of Macroeconomics.
- “A Unified Framework for Monetary Theory and Policy Analysis”,

III. Search Theory of Money (2 sessions)


IV. New-Keynesian Monetary Theory-nominal rigidity (4 sessions)

• Caplin, Spulber “Menu Costs and the Neutrality of Money” (1987) QJE
• Caplin, Leahy “Aggregation and Optimization with state Dependent Pricing” (1997) Econometrica


V. Fiscal Theory of the Price Level (1 session)


VI. Imperfect Knowledge (1 session)


VII. Inflation and Welfare (1 session)

Section 2: Monetary policy (1/3 course)

VIII. Interest-Rate Rules, commitment, inflation targeting, time consistency, liquidity trap (6 sessions)
IX. Unconventional Monetary Policy (2 session)


X. **Credit channel and balance sheet channel (3 sessions)**

XI. **Forward guidance and its puzzle (2 sessions)**

**Section 3: Banking and finance (1/6 course)**

XII. **Liquidity Provision and Consumption Smoothing (2 sessions)**

XIII. Financial frictions (2 sessions)

XIV. Bubble and panics (2 sessions)
• Morris, S. and H.S. Shin (2000) “Rethinking Multiple Equilibria in Macroeconomics”, NBER Macroeconomics Annual, 139-161. (See also de discussions by Andy Atkeson and Helene Rey).

**Section 4: Open economy and exchange rate (1/6 course)**

**XV. Open economy monetary policy (3 sessions)**

**XVI. Exchange rate (3 sessions)**