Econ 797N: Behavioral and structuralist macro models
Fall 2013
TuTh 2:30 – 3:45 pm in Mach W27

Preliminary version, 30 August 2013

Peter Skott
pskott@econs.umass.edu
Office: Thompson 836
Office hours: W 2-4pm

The aim of this course is to provide an introduction to formal macroeconomic models within a broadly behavioral and structuralist tradition, incl. Keynesian and neo-Marxian theories. Thus, the course complements Econ 705 on "mainstream" macroeconomic theory and Econ 706 with its broader analysis of issues relating to Keynes's theory and methodology.

Course requirements: weekly problem sets, a midterm and a final exam, and participation in class discussions of the readings.

Preliminary course outline and readings:

1. Introduction (1 week)

Readings:

2. The stability problem (1 week)

Readings:


3. Full employment, the reserve army and the NAIRU (2-3 weeks)
   a. Fragility of standard theory
   b. The reserve army
   c. Money illusion
   d. Hysteresis
   e. Institutional issues

Readings:


4. Wage inequality, overeducation and power-biased technological change (2 weeks)

Readings:


5. Growth cycles and the long run (2-3 weeks)
   a. stagnationist models
   b. growth cycles in Harrodian and classical models

Readings:


6. Debt, financialization and Minskian long waves (2-3 weeks)

   a. Minsky & financial instability
   b. ‘Stock-flow consistency’
   c. Financialization
   d. Structural liquidity traps and policy in the long run

Readings:


7. Uncertainty, "historical time", and the strengths and limitations of formal models  
(1/2 week)

Readings:

