

COURSE MENU

1. SOLVING NONLINEAR MODELS

1.1. Accuracy checks for nonlinear DSGE model solutions.

den Haan and Marcet (1994)

1.2. Parameterized expectations.

den Haan and Marcet (1990)

2. INFERENCE FOR EQUILIBRIUM MODELS

2.1. Posterior probability distributions across models and parameters.

2.2. Implementing MCMC across models.

2.3. Replicating and extending Smets and Wouters.

Smets and Wouter (2002)

3. RATIONAL INATTENTION

3.1. An introduction to information theory.

Cover and Thomas (1991, parts to be specified)

3.2. LQ dynamic optimization with a capacity constraint.

Sims (2001)

REFERENCES

- COVER, T. M., AND J. A. THOMAS (1991): *Elements of Information Theory*. Wiley-Interscience.
- DEN HAAN, W. J., AND A. MARCET (1990): "Solving the Stochastic Growth Model by Parameterizing Expectations," *Journal of Business and Economic Statistics*, 8(1), 31–34.
- (1994): "Accuracy in Simulations," *The Review of Economic Studies*, 61(1), 3–17.
- SIMS, C. A. (2001): "Implications of Rational Inattention," Discussion paper, Princeton University, www.princeton.edu/~sims.
- SMETS, F., AND R. WOUTER (2002): "An Estimated Stochastic Dynamic General Equilibrium Model of the Euro Area*," working paper, European Central Bank and National Bank of Belgium.