What We Are Doing This Week

• Finish *Essentials*, chapter 14 "Aggregate Demand and Aggregate Supply", 15 "Fiscal Policy". Start chapters 16 and 17: “Money, Banking, and the Federal Reserve” and “Monetary Policy”

• M Apr. 14: The Lesser Depression

• W Apr 16: Supply and Demand /The Lesser Depression

• W Apr 16: Problem Set 5 due…

• W Apr 16: Problem Set 6 out…

• Further Reading:
  • Aviva Aron-Dine et al.: The RAND Health Insurance Experiment, Three Decades Later
  • CBO: Economic and Budget Outlook 2014
April 14: The Lesser Depression

• Administrivia
• Fiscal Austerity
• Monetary Orthodoxy
• Financial Paralysis
• Employment Hysteresis
• The Euro
• Doing Problems with AD-AS, etc…