

Introduction to Macroeconomics

A compendium of main ideas

Descriptive representations	Hypothesis or principles	Empirical findings	Theoretical results	Formal models
Financial side vs real side	Classical dichotomy	Business cycle	Multiplier effects	Loanable funds model
Macroeconomic identities	Existence of natural rates	Phillips curve	Crowding out effects	Foreign exchange rate model
Quantity equation	Inflation is a monetary phenomenon	Okun's law	Policy trilemma in open economies	Aggregate demand and supply model
Government budget constraint	Fisher equation Taylor rule	Goodhart's law (Lucas critique)	Output bought with inflation in the short run	
	No-free-lunch principle	Fisher effect	Arbitrage backs up equilibrium outcomes	
	Neutrality of money	Time inconsistent policies	Purchasing power parity	