

General Course Information

Instructor: Chris McKenna
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Office Location MacKinnon 704
Office Hours Tuesday and Thursday 14:00 – 15:30
Department/School Economics & Finance

TA: Information about the TA will be given during the first two weeks of class.

Class Schedule: Lectures: Monday, Wednesday, Friday 10:30 – 11:20 MACK 120
Lab1: Tuesday 8:30 – 9:20 MACN 118
Lab2: Monday 3:30 – 4:20 MACK 233
Lab 3: Friday 9:30 – 10:20 MACK 238

Pre-requisites: ECON*1100, (1 of MATH*1000, MATH*1030, MATH*1080, MATH*1200)

Course Description

This is an intermediate course in macroeconomics. A prior knowledge of national accounts will be assumed. (The course textbook Appendix 1 has most of what you need.) We will cover short-run and medium run theory and policy issues.

Indicative Content

(This schedule is approximate and additional material will be posted on Courselink.)

- Week 0: (First class, 5 September): Course preliminaries. (You should read Blanchard and Johnson Chs 1 & 2 and Appendices 1 & 2)
- Week 1: The short run. Goods and financial markets. Blanchard & Johnson Chs 3 & 4
- Week 2: The short run. IS-LM Model. Blanchard & Johnson Ch 5
- Week 3: The medium run: the labour market. Blanchard & Johnson Ch 6
- Week 4: The medium run: AD-AS. Blanchard & Johnson Ch 7 **[Quiz 1]**

- Week 5: The medium run: The Phillips Curve, Inflation and Unemployment. Blanchard & Johnson Ch 8
- Week 6, 7: Expectations. Blanchard & Johnson Chs 14 - 17. **[Midterm wk 6]**
- Week 8, 9: The Open Economy. Blanchard & Johnson Chs 18 – 21. **[Quiz 2 wk 9]**
- Week 10, 11: Macroeconomic Policy. Blanchard & Johnson Chs 9, 22 – 24.
- Week 12: Policy summary continued and review. Blanchard & Johnson Chs 24-26.

Course Assessment

			Due Date
Assessment 1:	10%	Quiz 1	In class October 1
Assessment 2:	10%	Quiz 2	In class November 5
Assessment 3:	30%	Midterm	In class October 24
Assessment 4:	50%	Final Exam	TBD
Total	100%		

Teaching and Learning Practices (*as appropriate*)

- Lectures** Lectures make use of PowerPoint slides, which are also posted on Courselink. Questions are encouraged.
- Labs** Labs are primarily to take up questions about course or textbook content. However, there are weekly exercises, which are not assessed, which will be covered in lab if there is time. Exercises and answers are posted on Courselink.

Course Resources

Required Texts:

Olivier Blanchard and David R. Johnson, *Macroeconomics*, 6th edition, Pearson.

Other Resources:

The textbook has a significant web component of materials and exercises (MyEconLab), which I encourage you to explore. MyEconLab is bundled with the purchase of a new book. I will not be requiring MyEconLab, and I will create all exercises and support material posted on Courselink.

Course Policies

Course Policy regarding use of electronic devices and recording of lectures

Default text: Electronic recording of classes is expressly forbidden without consent of the instructor. When recordings are permitted they are solely for the use of the authorized student and may not be reproduced, or transmitted to others, without the express written consent of the instructor.

University Policies

Academic Consideration

When you find yourself unable to meet an in-course requirement because of illness or compassionate reasons, please advise the course instructor in writing, with your name, id#, and e-mail contact. See the academic calendar for information on regulations and procedures for

Academic Consideration: <http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-ac.shtml>

Academic Misconduct

The University of Guelph is committed to upholding the highest standards of academic integrity and it is the responsibility of all members of the University community, faculty, staff, and students to be aware of what constitutes academic misconduct and to do as much as possible to prevent academic offences from occurring.

University of Guelph students have the responsibility of abiding by the University's policy on academic misconduct regardless of their location of study; faculty, staff and students have the responsibility of supporting an environment that discourages misconduct. Students need to remain aware that instructors have access to and the right to use electronic and other means of detection. Please note: Whether or not a student intended to commit academic misconduct is not relevant for a finding of guilt. Hurried or careless submission of assignments does not excuse students from responsibility for verifying the academic integrity of their work before submitting it. Students who are in any doubt as to whether an action on their part could be construed as an academic offence should consult with a faculty member or faculty advisor.

The Academic Misconduct Policy is detailed in the Undergraduate Calendar:

<https://www.uoguelph.ca/registrar/calendars/undergraduate/2014-2015/>

Accessibility

The University of Guelph is committed to creating a barrier-free environment. Providing services for students is a shared responsibility among students, faculty and administrators. This relationship is based on respect of individual rights, the dignity of the individual and the University community's shared commitment to an open and supportive learning environment. Students requiring service or accommodation, whether due to an identified, ongoing disability or a short-term disability should contact the Centre for Students with Disabilities as soon as possible.

For more information, contact CSD at 519-824-4120 ext. 56208 or email csd@uoguelph.ca or see the website: <http://www.csd.uoguelph.ca/csd/>

Course Evaluation Information

Please refer to: <https://www.uoguelph.ca/economics/course-evaluation>

Drop date

The last date to drop one-semester courses, without academic penalty, is **October 31 2014**. For regulations and procedures for Dropping Courses, see the Academic Calendar:

<https://www.uoguelph.ca/registrar/calendars/undergraduate/2014-2015/>

Additional Course Information

Note that the midterm has a short essay component, worth 50%. Since the midterm is worth 30%, the total essay component for the course is worth 15%. Further information about the essay will be given in the first two weeks of class.

Course Learning Outcomes

The Department of Economics and Finance *Learning Objectives (skills and knowledge competencies)* for this course:

Skills:

- a) **Written communication**—the short essay component of the midterm (15%) will provide an opportunity to demonstrate written communication skills. It will be graded with the usual essay writing criteria excluding the requirement of a bibliography.
- b) **Numerical problem solving**—calculation of various macroeconomic indicators and multipliers. Solve simple macroeconomic models such as the IS-LM and AD-AS models. This will be tested in weekly exercises and in labs.
- c) **Analytical Problem solving:** -- use appropriate graphical methods to understand the mechanisms that determine macroeconomic variables such output, interest rates, inflation and unemployment.
- d) **Analytical Problem solving in a real world context**—**apply** appropriately mathematical, logical and diagrammatic methods to study a variety of contemporary economic policy issues, including the recent financial crisis.
- e) **Understand** the purpose and role of government policies to stabilize or improve the performance of the economy.

Knowledge:

- a) **Mathematical methodology:** **Solve** systems of linear equations.
- b) **Statistical and Econometric Methodology:** **Apply** basic knowledge of statistics and regression analysis to relationships between macroeconomic phenomena.
- c) **Microeconomic modelling:** **Apply** supply and demand models to money, goods and labour markets.
- d) **Macroeconomic modelling:** **Analyse**, potentially complex interactions between a variety of macroeconomic variables using simplified models.
- e) **Specific markets:** **Understand** the institutions and workings of the money, bond goods and labour markets.
- f) **Economic Policy:** Using the approaches in the course, **understand** the role of central banks, and instruments of government policy in the determination of interest rates, inflation, GNP and unemployment, including the recent financial crisis.