

Department of Economics
University of Waterloo
ECON 202.001: Macroeconomics Theory 1
Spring 2012

Instructor: Aurangzeb Zeb
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Office Hours: Tuesdays and Thursdays, 9:30 am – 11:00 am
Course website: <https://learn.uwaterloo.ca/>
Prerequisites: ECON 101, ECON 102

Meetings

The lecture hours are Tuesdays and Thursdays from 11:30 am to 12:50 pm and will take place in PAS 2083. I will be available in my office before class for the scheduled office hours. If contacting me by e-mail, please, indicate ECON 202 as the subject of the letter. Due to time constraints I will not reply to questions about the course material via e-mail. Please, note that class attendance is essential for the successful completion of the course.

Course Information

Overview

This course is designed to provide students with a solid foundation of intermediate macroeconomic theory. This course attempts to strike an appropriate balance between the analysis of long-run and short-run macroeconomic performance and between theory and policy applications. Topics included for discussion are determinants of aggregate production and productivity, sources of economic growth, saving and investment, money and inflation, business cycles, aggregate demand model, aggregate supply model, fiscal and monetary policies.

A specific timetable indicating which topics will be discussed on a specific lecture dates will not be provided. Our progress will depend on class ability and interest in the lecture materials.

REQUIRED TEXTBOOK

Mishkin, F. (2012). *Macroeconomics: Policy and Practice*. Prentice Hall.

COURSE CONTENT

1. Review of Basic Macroeconomic Principles (Chapters 1 and 2)
2. Macroeconomic Basics (Chapters 3, 4, 5)
 - 2.1 Aggregate Production, Factor Prices, and National Income
 - 2.2 Saving and Investment in Closed and Open Economies
 - 2.3 Money and Inflation
3. Long-run Economic Growth (Chapters 6)
4. Business Cycle (Chapters 8, 9, 10, 11, 12, 13, 16)
 - 4.1 Business Cycles: An Introduction
 - 4.2 Goods Market and the IS Curve
 - 4.3 Monetary and Fiscal Policies
 - 4.4 Aggregate Supply and the Phillips Curve
 - 4.5 Aggregate Demand and Supply Analysis
 - 4.6 Macroeconomic Policy and Aggregate Demand and Supply Analysis
 - 4.7 Fiscal Policy and Government Budget
5. Microeconomic Foundations of Macroeconomics (Chapter 18)

Evaluation

Grade

The final grade will be determined based on four assignments worth 5% each, one midterm (in class on June 26th) test worth 30%, and a final examination worth 50%. In the case of a significantly better performance on the final examination when compared to the midterm, the grade will be re-weighted with more emphasis on the final.

Re-marking

If a student wants a test re-marked he/she must notify the instructor within 5 business days after the marked test has been distributed in class. The test will be re-marked in its entirety and, as a result, the grade can either increase, decrease, or remain unchanged.

Important Notices

- There is no deferred or make-up midterm test. If you miss the test due to illness and have a valid medical documentation, then the weight of the test will be shifted to the final exam. Otherwise, a mark of zero will be given to the missed test.
- To maintain a classroom environment that is conducive to learning, I expect the highest level of courtesy and professional behavior from every student. In particular, be punctual and turn off all audible ringers on phones, pagers, and laptops during class.

University Rules

Academic Integrity

In order to maintain a culture of academic integrity, members of the University of Waterloo community are expected to promote honesty, trust, fairness, respect and responsibility.

Grievance

A student who believes that a decision affecting some aspect of his/her university life has been unfair or unreasonable may have grounds for initiating a grievance. Read Policy 70 - Student Petitions and Grievances, Section 4, <http://www.adm.uwaterloo.ca/infosec/Policies/policy70.htm>

Discipline

A student is expected to know what constitutes academic integrity, to avoid committing academic offences, and to take responsibility for his/her actions. A student who is unsure whether an action constitutes an offence, or who needs help in learning how to avoid offences (e.g., plagiarism, cheating) or about “rules” for group work/collaboration should seek guidance from the course professor, academic advisor, or the Undergraduate Associate Dean. When misconduct has been found to have occurred, disciplinary penalties will be imposed under Policy 71 – Student Discipline. For information on categories of offenses and types of penalties, students should refer to Policy 71 - Student Discipline.

<http://www.adm.uwaterloo.ca/infosec/Policies/policy71.htm>

Appeals

A student may appeal the finding and/or penalty in a decision made under Policy 70 - Student Petitions and Grievances (other than regarding a petition) or Policy 71 - Student Discipline if a ground for an appeal can be established. Read Policy 72 - Student Appeals,

<http://www.adm.uwaterloo.ca/infosec/Policies/policy72.htm>

Note for Students with Disabilities

The Office for Persons with Disabilities (OPD), located in Needles Hall, Room 1132, collaborates with all academic departments to arrange appropriate accommodations for students with disabilities without compromising the academic integrity of the curriculum. If you require academic accommodations to lessen the impact of your disability, please register with the OPD at the beginning of each academic term.