

**University of Waterloo**  
**Department of Economics**  
**ECON 202-003: Macroeconomic Theory I**  
**Course Outline - Spring, 2011**

**Professor:** Kate Rybczynski  
**Office:** 242 Hagey Hall  
**Hours:** Tues. & Thurs. 10:00 - 11:30am, or by appointment  
**e-mail:** k rybczyn at uwaterloo.ca  
**web page:** <http://www.arts.uwaterloo.ca/~krybczyn/202/>  
**Lectures:** Tuesday and Thursday 4:00-5:20pm , PAS 2083

**Course Description:**

This course introduces students to intermediate macroeconomic tools used for analysis of the economy. The determinants of key outcomes such as income/output, employment/unemployment, prices/inflation, and interest rates, are explored. Business cycles are introduced and the Classical and Keynesian models are compared. Impacts of fiscal and monetary policy are analyzed in the closed economy, and subsequently discussed in the context of an open economy. Time permitting, a brief introduction to the neoclassical growth model will conclude. Throughout the course, attention will be paid to current issues in macroeconomic theory both in Canada and globally.

**Course Materials:**

The text book for this course is Macroeconomics, 5<sup>th</sup> Canadian Edition, by Abel, Bernanke, and Kneebone. Note: although the 5<sup>th</sup> edition is what the bookstore has stocked, the 3<sup>rd</sup> and 4<sup>th</sup> edition contains the majority of the core materials we will cover if you can find a used copy. There is also a copy of the 4<sup>th</sup> edition in Dana Porter Library.

**On Line:**

[Lecture Slides](#)  
[Assignments and Solutions](#)  
[Study Questions](#)  
[Supplementary Reading Material](#)

**Topics:**

I.	Terms and Concepts	ch.1
II.	Measurement and Accounting	ch.2
III.	Production	ch.3 p55-63
IV.	Labour Market	ch.3 p63-92
V.	Goods Market	ch.4
VI.	Asset Market	ch.7
VII.	General Equilibrium IS-LM/AD-AS Model	ch.9
VIII.	Business Cycles	ch.8
IX.	Classical versus Keynesian	ch.11,12
X.	Unemployment and Inflation	ch.13
XI.	Open Economy Macroeconomics	ch.5,10
XII.	Monetary and Fiscal Policy	ch.14,15

Approximately one week will be spent on each topic.

Comments and further reading suggestions will be available on the course web page. Students are advised to check this page frequently, particularly when preparing for assignments or exams.

## Course Requirements and Grading Scheme:

Quiz	(10%)	Thursday, May 19
Assignment 1	(5%)	Due Tuesday, June 14
Mid-Term	(30%)	Thursday, June 23
Assignment 2	(5%)	Due Thursday, July 21
Final Exam	(50%)	*TBA

### The Rules for ECON 202:

Assignments must be submitted No Later than 11:59pm in the 202-003 assignment drop box (outside HH210) on the due date. Any missed assignments will have their weight automatically transferred to the final exam.

If you miss the quiz or mid-term, the weight of this test will automatically go to your final exam. No make-up will be held. If you do better on the final exam than on the quiz and/or mid-term, I will automatically shift the weight of either (or both) to your final exam.

At the discretion of the instructor, a student who misses the Final Exam may write the a make-up for the Final Exam ONLY. This make-up will be substantially different than that written by the rest of the class, and may contain an oral component. Students applying to write this make-up are required to fill out a “petition addressed to the departmental examinations and standing committee” and submit it to me **within 48 hours** of missing the final. On this form, you must state the reasons for the missed test and provide documentation (medical or other).

Request forms are available at the department, and online at <http://www.economics.uwaterloo.ca/DepartPetition.pdf>. You may also read the Departmental policy here: <http://www.economics.uwaterloo.ca/DeferredExams.html>. A student who fails to write the deferred exam will automatically receive a grade of zero on that exam.

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### Your Rights and Responsibilities:

*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. ”*

*Discipline: “A student is expected to know what constitutes academic integrity, to avoid committing academic offenses, and to take responsibility for his/her actions. A student who is unsure whether an action constitutes an offense, or who needs help in learning how to avoid offenses (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>*

*“How to Avoid Plagiarism and Other Written Offences: A Guide for Students and Instructors” - <http://www.adm.uwaterloo.ca/infosec/Policies/policy70.htm>*

*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, Grievance.” <http://www.adm.uwaterloo.ca/infosec/Policies/policy70.htm> .*

*Disability: "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 OPD at the beginning of each academic term."*