

University of Waterloo
Department of Economics
Economics 102 (Section 004) – Introduction to Macroeconomics
Winter 2017

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Office Hours: 5.30 pm to 7.00 pm on Fridays (other times by appointment only)

Lecture time and Location: Wednesdays from 6.30 pm to 9.20 pm in DC 1350

Where to find this course outline: This course outline is available at two locations for the duration of the term:

(1). Department of Economics website

<http://economics.uwaterloo.ca/ugcourseschedule.htm>

(2). LEARN web site <http://learn.uwaterloo.ca/> (need WatIAM/Quest username and password)

Note:

Regarding e-mail communication, students should use the university e-mail address. When sending email, "Econ 102 Section 004" must appear in the subject line and the message must include your full name and ID number.

Course Description

Macroeconomics is the study of overall or aggregate performance of an economy including growth in incomes, changes in the overall level of prices, the employment and unemployment rate. This course will introduce students to the basic concepts and theories in macroeconomics. The focus of this course is to understand the key macroeconomic variables such as gross domestic product (GDP), inflation, unemployment rate, nominal and real interest rate, savings, investment, and exchange rate and how these variables are influenced by both monetary and fiscal policies of the government. This course will cover both short run fluctuations in the economy (business cycles) and long run trends (economic growth). The macroeconomic theories will be used to understand the workings of different economies of the world with special emphasis on Canadian economy.

Course Objectives

After completion of this course, students will learn how macroeconomic models are build to explain the economy, the relationships among major macroeconomic variables in simple models; be able to make distinction between short run and long run; and finally evaluate the nature and impacts of economic problems and policies.

Required Textbook

Parkin, M. and R. Bade, *Macroeconomics: Canada In the Global Environment, 9th Canadian Edition*. Toronto: Pearson, 2015

My EconLab and the study guide are optional for the course.

Resources

Course related materials are posted on Learn at:

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It is highly recommended that students attend the lectures and read the textbook.

Lecture notes are provided as a supplement to the text book. The content of the exams will be announced in class and on Learn. Students are responsible for visiting this site frequently.

Course Evaluation

Student evaluation for this course consists of two midterm exams and a final exam.

Final exam will be comprehensive; it will include all materials covered during the term.

The final exam date will be announced by the Registrar's Office. The final exam period for Winter 2017 term is from April 7 to April 25. All students are expected to be available during the exam period to write the final exam. Travel plans are not acceptable reasons for requesting an alternative final exam. See

<http://www.registrar.uwaterloo.ca/exams/finalexams.html> for details.

Exam Schedule

Exam	Date	Time	Room location	Weight
Midterm 1	February 8	In class exam	TBA	25%
Midterm 2	March 15	In class exam	TBA	25%
Final	TBA	TBA	TBA	50%

Note:

- Midterm Exams and the Final Exam will consist of multiple choice questions.
- Examinations are based on the material contained in the assigned textbook readings and presented as lecture contents (which are strong complements, not substitutes).
- The date and time for the final exam will be set by the Registrar during the exam period and announced in class and on LEARN.
- Midterm grades will be posted on Learn. The final grade will be issued by the Registrar's office.

Lists of Chapters

PART 1: INTRODUCTION

Chapter 1 What is Economics?

Students are responsible for reading the material in Chapter 1 on their own. Lecture note on chapter 1 will be posted on learn.

OMIT Appendix pgs. 13 – 23

OMIT Mathematical Note pgs. 24 - 25

Chapter 2 The Economic Problem

PART 2: Monitoring Macroeconomic Performance

Chapter 20 Measuring GDP and Economic Growth

Chapter 21 Monitoring Jobs and Inflation

PART 3: Macroeconomic Trends

Chapter 22 Economic Growth

Chapter 23 Finance, Saving & Investment

Chapter 24 Money, the price Level, and the Inflation

Chapter 25 The Exchange rate and the Balance of Payments

PART 4: Macroeconomic Fluctuations

Chapter 26 Aggregate Demand and Aggregate Supply

Chapter 27 Expenditure Multipliers: The Keynesian Model

Chapter 28 Canadian Inflation, Unemployment, and Business Cycle

PART 5: Macroeconomic Policy

Chapter 29 Fiscal Policy

Chapter 30 Monetary Policy (Time permitting)

Tentative Class Schedule and Reading List

This class schedule is tentative. There may be addition or slight modification in this schedule given the pace of the class.

Week	Date	Lecture Topics & Related Readings
1	January 4	Course Outline, The Economic Problem (chapter 2) & Measuring GDP and Economic Growth (chapter 20)
2	January 11	Measuring GDP and Economic Growth (chapter 20) & Monitoring Jobs and Inflation (chapter 21)
3	January 18	Monitoring Jobs and Inflation (chapter 21) & Economic Growth (chapter 22)
4	January 25	Economic Growth (chapter 22) & Finance, Saving & Investment (chapter 23)
5	February 1	Finance, Saving & Investment (chapter 23) & Money, the price Level, and the Inflation (chapter 24) & Review for Midterm 1
6	February 8	Midterm Exam 1 – Chapters 1, 2, 20, 21 & 22 The Exchange Rate and the Balance of Payments (chapter 25) & Aggregate demand and Aggregate Supply (chapter 26)
7	February 15	Aggregate demand and Aggregate Supply (chapter 26)
8	February 22	Reading Week - No class
9	March 1	Expenditure multipliers: The Keynesian Model (chapter 27)
10	March 8	Canadian Inflation, Unemployment, and Business Cycle (chapter 28) & Review for Midterm 2
11	March 15	Midterm Exam 2 – Chapters 23, 24, 25 & 26 & Canadian Inflation, Unemployment, and Business Cycle (chapter 28)
12	March 22	Fiscal Policy (chapter 29)
13	March 29	Monetary Policy (chapter 30) and Final exam Review

Additional Information

1. Missing the Final Exam Due to Illness

- Missing the final exam is a very serious matter which automatically results in a zero mark for the exam itself and possibly a failing mark for the course. Read the department policy on deferred final exams <http://economics.uwaterloo.ca/DeferredExams.html>
- No deferred final exam will be provided for students who missed all the exams (including the final exam) in this course.

2. Missing a Midterm Due to Illness During the Term

- If a student misses a midterm due to illness and has valid documentation (approval required), the weight of the missed midterm will be shifted to the final exam. Without valid documentation the student will receive zero for the missed midterm.
- Midterms will not be rescheduled under any circumstances.
- Must notify me in person about missed exams as soon as possible.

3. Submissions of Exam Papers

- Late submission of exam papers is not accepted and missed submission will receive zero marks for whatever reason.
- Exam papers must be submitted in whole and on time in the exam room. Exam papers (a) not submitted on time or (b) submitted with missing pages or (c) submitted elsewhere or (e) not received at all will receive zero marks for whatever reason.

4. Fee-Arranged Issues

Students are responsible for administrative matters concerning their course registration including fee arrangements. No make-up work or remedies will be given for losses of access to LEARN and academic consequences arising from administrative issues with the Registrar's Office.

5. Economic Clinic

The walk-in Economic Clinic offers free tutorial services to ECON 102 students (all sections). Check with LEARN, classes, and the department for availability.

6. Classroom Protocols

- No private conversations in class will be tolerated.
- Turn off all handheld devices and put them away for the duration of the lecture. Laptop computers may only be used to view lecture material.
- Photographic devices are not permitted in class. This is a University regulation.
- In order to maintain a learning environment in this classroom, I expect the highest level of courtesy and professional behaviour from every student.

Institutional-required statements for undergraduate course outlines approved by Senate Undergraduate Council, April 14, 2009:

Academic Integrity: In order to maintain a culture of academic integrity, members of the University of Waterloo 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 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](https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-71) (https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-71)

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](https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-70) (https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-70), Section 4.

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](https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-72) (<https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-72>).

Other sources of information for students:

[Academic Integrity website \(Arts\)](https://uwaterloo.ca/arts/current-undergraduates/student-support/ethical-behaviour): <https://uwaterloo.ca/arts/current-undergraduates/student-support/ethical-behaviour>

[Academic Integrity Office \(UWaterloo\)](https://uwaterloo.ca/academic-integrity/): <https://uwaterloo.ca/academic-integrity/>

Note for students with disabilities: The [AccessAbility Services](https://uwaterloo.ca/disability-services/) office ([https://uwaterloo.ca/disability-](https://uwaterloo.ca/disability-services/)

[services](https://uwaterloo.ca/disability-services/)), located on the first floor of the Needles Hall extension, 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 AS office at the beginning of each academic term.