

**PLEASE NOTE THAT SOME CHANGES COULD BE MADE TO THIS OUTLINE
BEFORE JANUARY 20, 2023**

ECON 2102 G – Intermediate Macroeconomics I

Winter 2023

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Lectures: Tuesdays and Thursdays 11:35 am to 12:55 pm.

Location: Tory Building, Room 342

Tutorial: ONLINE (may be given asynchronously).

Recordings will be available on Brightspace.

Prerequisites for this course: ECON 1000 or FYSM 1003 with a grade of C- or higher, ECON 1002 (or equivalent) with a grade of C- or higher, ECON 1401 (or equivalent) with a grade of C- or higher and ECON 1402 (or equivalent), which may be taken concurrently with ECON 2102. Precludes additional credit for ECON 2101.

Students who believe they have taken a similar background course or courses from another university must provide appropriate documentation to the Department of Economics Undergraduate Administrator, Renée Lortie.

A grade of C- or higher is required to qualify for ECON 2103; a grade of C+ or higher is required to qualify for ECON 4021.

DEF(erred final grade) status at the end of this course precludes (continued) registration in any other course for which the former is a prerequisite.

PLEASE NOTE:

This course will be delivered IN PERSON. Some material for the lectures or the tutorials may be provided through *asynchronous recordings* that will be made available on Brightspace.

Brightspace and e-mail:

This course will make intensive use of **Brightspace**. It is each student's responsibility to check this website for posted material such as PowerPoint slides, lecture notes, asynchronous recordings, assignment questions and answers, problem sets, answer keys, additional readings, etc.

I will also send the class announcements by e-mail using Brightspace. So, **please check your e-mail frequently.**

If you do not have a **Brightspace** account, please visit: <https://carleton.ca/brightspace/students/>

Course Description:

This is the first of a sequence of two courses that aim at explaining the functioning of the aggregate economy and answering questions, such as: what is monetary policy, what is fiscal policy, how do they work, can policy influence unemployment, etc. The purpose of this course is to develop a set of theoretical concepts and models, and then to use them to analyze the macroeconomic problems and policy issues experienced by closed and open economies both in the long run and in the short run. The intermediate case is developed and discussed in the second course of the sequence, ECON 2103. We will first focus on the distinguishing aspects of long run versus short run models. We will then turn to the short run analysis of aggregate demand, starting with the simple Keynesian Model, and continuing on to its extension into the fixed-price IS-LM model in a closed economy setting. We will then extend the short run, fixed-price IS-LM model to the open economy and discuss the difference that it makes to closed economy analysis if the economy is connected through trade in both goods and financial assets with the rest of the world under fixed or flexible exchange rates. Finally, we will turn to an analysis of the factors that determine long run growth.

Please note that elementary mathematics will be used in this course.

Required Text:

N. G. Mankiw, W.M. Scarth, *Macroeconomics: 6th Canadian Edition*, New York: Worth Publishers, 2020.

Additional readings or material may be assigned during the term.

COURSE OUTLINE**I. Introduction and National Income Accounting**

Mankiw and Scarth, Chapter 1, Chapter 2, and Chapter 3

II. Time Horizons in Macroeconomics: The economy in the short run**A. Aggregate Demand and Aggregate Supply: Comparing the short run and the long run**

Mankiw and Scarth, Chapter 10.

B. The Goods Market and the Money Market, Deriving the IS and the LM curves

Mankiw and Scarth, Chapter 11.

C. Monetary and Fiscal Policy in the Short Run: Working with the IS-LM Model

Mankiw and Scarth, Chapter 12.

III. The Open Economy**A. The Foreign Exchange Market**

Mankiw and Scarth, Chapter 6

B. Extending the IS-LM model to the Open Economy

Mankiw and Scarth, Chapter 13.

IV. Economic Growth and the Solow model

Mankiw and Scarth, Chapter 8, Chapter 9, sections 9.1, 9.2

Grading:

Mid-term examination (February 16 tentative, may be held online)	35%
2 assignments (10% each) (dates to be announced)	20%
Final examination (scheduled by the University, may be held online)	45%

Exams: Students who miss the midterm exam for a valid reason (documented appropriately) will have the associated weight added to that of the final exam. The final exam will be scheduled during the official final examination period (April 15-27). Should the final exam be missed for any reason, a grade of F will be assigned, and the student must arrange for the possibility of a deferred examination through the Registrar's Office within 3 working days of the exam. If granted by the Registrar's Office, this exam will take place during the time designated in the Calendar. Special final exams (or midterms) will not be given. The final exam will cover the entire course material, but more weight will be given to topics covered after the midterm.

Please note that tests and examinations given online in this course may use e-Proctoring, a remote proctoring service provided by Scheduling and Examination Services. More information may be obtained at <https://carleton.ca/ses/e-proctoring/>.

Assignments: Two assignments will be given to complement the lectures and will be marked for credit. It is strongly recommended that students do them carefully in order to improve their understanding of classroom material. Late assignments will not be graded, but provided the student has a valid reason (documented appropriately), the weight of the assignment will be added to that of the final exam.

Standing in the course is determined by the course instructor subject to the approval of the Faculty Dean. This means that grades submitted by the instructor may be subject to revision. No grades are final until they have been approved by the Dean. (See Academic Regulation 2.3 for the official meanings of the grades and note that it stipulates that no course grades are final until approved by the Faculty Dean.)

Tutorial:

The tutorial period, Tuesdays 1:05pm-2:25pm, may be used for lectures, for tutoring by the TA, problem sessions, review sessions and going over answers to assignments. This period may also be used for the midterm exam. Some of the material may be provided through *asynchronous recordings* that will be made available on Brightspace.

Re-marking:

Any request for the remarking of exams must be submitted in writing within two weeks of that exam first being returned to the class. The request should contain a detailed explanation of why you feel you should receive a higher mark. Please note that remarking will apply to the entire exam not just the contentious question. As a result, the revised mark may be higher than, lower than or the same as the original mark.

Please also note: "Student or professor materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s)."

Plagiarism

Please be aware that plagiarism is a serious offence at Carleton University.

The University Academic Integrity Policy defines plagiarism as "presenting, whether intentionally or not, the ideas, expression of ideas or work of others as one's own." This includes reproducing or paraphrasing portions of someone else's published or unpublished material, regardless of the source, and presenting these

as one's own without proper citation or reference to the original source. Examples of sources from which the ideas, expressions of ideas or works of others may be drawn from include but are not limited to: books, articles, papers, literary compositions and phrases, performance compositions, chemical compounds, artworks, laboratory reports, research results, calculations and the results of calculations, diagrams, constructions, computer reports, computer code/software, material on the internet and/or conversations.

Examples of plagiarism include, but are not limited to:

- any submission prepared in whole or in part, by someone else;
- using ideas or direct, verbatim quotations, paraphrased material, algorithms, formulae, scientific or mathematical concepts, or ideas without appropriate acknowledgment in any academic assignment;
- using another's data or research findings without appropriate acknowledgement;
- submitting a computer program developed in whole or in part by someone else, with or without modifications, as one's own; and
- failing to acknowledge sources through the use of proper citations when using another's work and/or failing to use quotations marks.

Plagiarism is a serious offence that cannot be resolved directly by the course's instructor. The Associate Dean of the Faculty conducts a rigorous investigation, including an interview with the student, when an instructor suspects a piece of work has been plagiarized. Penalties are not trivial. They can include a final grade of "F" for the course.

Academic Accommodation Requests:

Student may need special arrangements to meet their academic obligations during the term. For an accommodation request the processes are as follows:

Pregnancy obligation: write to me with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For accommodation regarding a formally scheduled final exam, you must complete the *Pregnancy Accommodation Form* available at (<https://carleton.ca/equity/contact/form-pregnancy-accommodation>).

Religious obligation: write to me with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details click here. <https://carleton.ca/equity/focus/discrimination-harassment/religious-spiritual-observances>

Academic Accommodations for Students with Disabilities: The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic accommodations in this course, please contact PMC at 613-520-6608 or pmc@carleton.ca for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send me your Letter of Accommodation at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with me to ensure accommodation arrangements are made. Please consult the PMC website for the deadline to request accommodations for the formally scheduled exam (if applicable). The deadline for the winter term is March 15, 2023, according to the Academic Calendar. (See <https://carleton.ca/registrar/registration/dates/academic-dates/#sect3>)

Carleton University has launched a new academic accommodation management system, Ventus. More information on using Ventus can be found on (<https://ventus.carleton.ca/student>) and <https://carleton.ca/ventushelp>

Survivors of Sexual Violence: As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and where survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: <https://carleton.ca/equity/sexual-assault-support-services>.

Accommodation for Student Activities: Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation will be provided to students who compete or perform at the national or international level. Write to me with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. See <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>.

Statement on Student Mental Health

As a university student you may experience a range of mental health challenges that significantly impact your academic success and overall well-being. If you need help, please speak to someone. There are numerous resources available both on- and off-campus to support you. Here is a list that may be helpful:

Emergency Resources (on and off campus): <https://carleton.ca/health/emergencies-and-crisis/emergency-numbers/>

Carleton Resources:

- Mental Health and Wellbeing: <https://carleton.ca/wellness/>
- Health & Counselling Services: <https://carleton.ca/health/>
- Paul Menton Centre: <https://carleton.ca/pmc/>
- Academic Advising Centre (AAC): <https://carleton.ca/academicadvising/>
- Centre for Student Academic Support (CSAS): <https://carleton.ca/csas/>
- Equity & Inclusivity Communities: <https://carleton.ca/equity/>

Off Campus Resources:

- Distress Centre of Ottawa and Region: <https://www.dcottawa.on.ca/>; (613) 238-3311 or text: 343-306-5550
- Mental Health Crisis Service: <http://www.crisisline.ca/>; (613) 722-6914, 1-866-996-0991.
- Empower Me: <https://students.carleton.ca/services/empower-me-counselling-services/>; 1-844-741-6389.
- Good2Talk: <https://good2talk.ca/> 1-866-925-5454.
- The Walk-In Counselling Clinic: <https://walkincounselling.com>

COVID

It is important to remember that COVID is still present in Ottawa. The situation can change at any time and the risks of new variants and outbreaks are very real. There are a number of actions you can take to lower your risk and the risk you pose to those around you including being vaccinated, wearing a mask, staying home when you're sick, washing your hands and maintaining proper respiratory and cough etiquette. (See <https://carleton.ca/covid19/health-and-safety/reducing-your-risks/>).

Feeling sick? Remaining vigilant and not attending work or school when sick or with symptoms is critically important. If you feel ill or exhibit COVID-19 symptoms do not come to class or campus. If you feel ill or exhibit symptoms while on campus or in class, please leave campus immediately. In all situations, you must follow Carleton's symptom reporting protocols (<https://carleton.ca/covid19/covid-19-symptom-reporting/>).

Masks: Carleton has paused the COVID-19 Mask Policy (<https://carleton.ca/covid19/policies-and-protocols/mask-policy/>), but continues to strongly recommend masking when indoors, particularly if physical distancing cannot be maintained. It may become necessary to quickly reinstate the mask requirement if pandemic circumstances were to change.

Vaccines: Further, while proof of vaccination is no longer required as of May 1 to attend campus or in-person activity, it may become necessary for the University to bring back proof of vaccination requirements on short notice if the situation and public health advice changes. Students are strongly encouraged to get a full course of vaccination, including booster doses as soon as they are eligible, and submit their booster dose information in cuScreen (<http://carleton.ca/covid19/cuscreen>) as soon as possible. Please note that Carleton cannot guarantee that it will be able to offer virtual or hybrid learning options for those who are unable to attend the campus. All members of the Carleton community are required to follow requirements and guidelines regarding health and safety which may change from time to time. For the most recent information about Carleton's COVID-19 response and health and safety requirements please see the University's COVID-19 website (<https://carleton.ca/covid19/>) and review the Frequently Asked Questions (FAQs) (<https://carleton.ca/covid19/faq/>) Should you have additional questions after reviewing these, please contact covidinfo@carleton.ca .