



**PLEASE NOTE THAT SOME CHANGES COULD BE MADE TO THIS OUTLINE  
BEFORE JANUARY 17, 2025**

**Carleton University  
Department of Economics  
Winter 2025  
ECON 2102 G – Intermediate Macroeconomics I**

**Instructor:** Professor F. Demers  
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**Office:** Loeb Building B854  
**Office Hours:** Tuesdays 1:30 pm-2:30 pm and by appointment online.  
**TA:** To be announced

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**Lectures:** In person, on Tuesdays and Thursdays 4:05 pm. to 5:25 pm.  
**Tutorial:** In person on Tuesdays, 5:35 pm to 6:55pm  
**Brightspace Course Page:** <https://brightspace.carleton.ca/d2l/home/283634>

**PLEASE NOTE:**

This course will be delivered in person. (Lectures three hours a week, tutorials one and a half hours a week.) Some material for the lectures or the tutorials may be provided through asynchronous recordings that will also be made available on Brightspace.

**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 in pdf format, recordings of lectures, assignment questions and answers. Students must also verify their e-mail messages frequently.** If you do not have a Brightspace account, please visit: <https://carleton.ca/brightspace/students/>

**Preclusions and Prerequisites:** Precludes additional credit for ECON 2101.

Prerequisite(s): ECON 1002 or ECON 1000 or FYSM 1003 with a grade of C- or higher; ECON 1401/MATH 1401 (with a grade of C- or higher) and ECON 1402/MATH 1402, or equivalent department-approved MATH course pair. May be taken concurrently with ECON 1402/MATH 1402.

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

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, Sean Hall.

**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

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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.

### **Learning Outcomes:**

Learning about the macroeconomic problems and policy issues experienced by closed and open economies in the short-run and the long-run.

### **Required Text:**

N. G. Mankiw and W.M. Scarth, *Macroeconomics: 6<sup>th</sup> Canadian Edition*, New York: Worth Publishers, 2020. ISBN-13: 9781319115593

**From Carleton University Bookstore: Rent (for 180 days) \$58.99; Buy (Digital) \$106.99; Buy (New) \$173.50**

**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: 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

**Course Calendar and Evaluation:**

Mid-term examination (In person, February 13, <b>date to be confirmed</b> )	35%
2 assignments (10% each) Jan.23(due Jan.30) and March 20(due March 27) <b>dates to be confirmed</b>	20%
Final examination (In person, formally scheduled by the University)	45%

**Midterm exam:** Students who miss the midterm exam for a valid reason (indicated to me by email as soon as possible) will have the associated weight added to that of the final exam. I reserve the right to request a Self-Declaration form or PMC letter of accommodation depending on the length of incapacitation. Special midterm exams will not be given.

**Final exam:** The final exam will be in person and will cover the entire course material, but more weight will be given to topics covered after the midterm exam. Special final exams will not be given.

Students are not to make travel plans during the exam period as that is not a valid reason for missing a final exam. 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 for deferred exams. In the event that a student writes a deferred examination, the deferred examination will carry the same weight as the final examination in determining the course grade.

**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. Students will have about a week to complete the assignment and submit it. The use of Generative Artificial Intelligence tools (e.g. ChatGPT) to answer assignment questions is counterproductive. It has also been shown (by me) to lead to incorrect answers. In any event, it is considered to be plagiarism and is not permitted. Late assignments will not be graded, but provided the student has a valid reason (indicated to me by email), 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.)

**Tutorials:**

The tutorial period may be used for lectures, for tutoring by the TA, problem sessions, review sessions and going over answers to assignments. **Tutorials may be given online, in which case they will be recorded, and the recording will be posted 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 and should be recognized and avoided.

**You are responsible for reading and knowing the information about plagiarism, about Carleton University resources, and about academic accommodations found at:** <https://carleton.ca/economics/plagiarism-resources-and-accommodations/>

(See also here below.)

**Plagiarism, Resources and Mental Health, Academic Accommodations****Plagiarism**

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, including the unauthorized use of generative AI tools (e.g., ChatGPT);
- 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. For the full policy please refer to the [Academic Integrity Policy](#).

**Resources and Mental Health**

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

### Academic Accommodation

You may need special arrangements to meet your 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 ([click here](#)).

**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](#).

**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](mailto: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.

### 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. <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>