

Department of Economics
ECON 2103 E – Intermediate Macroeconomics II
Fall 2019

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(Please include "Econ 2103E" in the subject line.)
Office Hours: M 2:30 – 4:00 (tentative)



TA: TBD
Email: TBD
TA office hours: TBD

Lectures: M/W 11:35 – 12:55, UC 182
Tutorials: M 1:05 – 2:25, UC 182

Course Description: This is the second course in a two-course sequence in Intermediate Macroeconomics. The first part of this course focuses on the microfoundations of macroeconomics. We study how consumption and investment decisions of households and firms are affected by macroeconomic variables such as interest rates. In the second part, we review aggregate demand and aggregate supply theories focusing on how the behavior of households and firms we study in the first part underpins those macroeconomic theories. The last part of this course covers the effect of macroeconomic policies and the role of the financial system.

Prerequisite(s): ECON 2102 with a grade of C- or higher, ECON 1001 with a grade of C- or higher, and ECON 1402 (or equivalent) with a grade of C- or higher. 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, Amanda Wright.

Qualification requirements for higher level courses:

A grade of C+ or higher from this course is required to qualify for ECON 3900, 3920, and 4021. DEF (DEFerred final grade) status at the end of this course precludes (continued) registration in any other course for which the former is a prerequisite.

Required Textbook: Gregory Mankiw and William M. Scarth, *Macroeconomics*, Worth Publishers, 5th Canadian edition, ISBN-10: 1-4641-6850-4.

Reading List: Additional readings or material may be assigned during the term.

cuLearn: This course will make use of cuLearn. I will post materials including lecture slides, additional reading assignments, problem sets and answer keys. I will also use cuLearn to send

announcements to the class as needed. Please make sure that you are set up on cuLearn prior to the course start date. For assistance with cuLearn contact the ITS Service Desk (4th Floor, MacOdrum Library, telephone: 613-520-3700.

Tutorials: The tutorials will mainly be used to review key concepts from the lectures and questions from the problem sets and the midterm exam. Time permitting, the tutorials will also cover some additional practice questions.

Course Outline

1. Microfoundations of macroeconomics
 - Consumption (Ch. 17)
 - Investment (Ch. 18)
 - Money supply and money demand (Ch. 19)
2. Business cycle theory
 - Review of aggregate demand (IS-LM) (Ch. 10-11)
 - Aggregate supply (Ch. 13)
3. Macroeconomic policies
 - Stabilization policy (Ch. 15)
 - Government spending and debt (Ch. 16)
4. Financial system (Ch. 20)
5. (Time permitting) Open Economy IS-LM (Ch. 12)

Student Evaluation & Course Grades: *Each student's grade shall be calculated as follows:*

- *Problem sets (only the best five grades count into final grade)* : 15%
- *Midterm* : 40%
- *Final* : 45%

Problem Sets: There will be six problem sets. The problem sets are due at the beginning of the tutorial on the following days:

- Problem set 1: September 16
- Problem set 2: September 30
- Problem set 3: October 14
- Problem set 4: November 4
- Problem set 5: November 18
- Problem set 6: December 2

The problem sets will be posted on CUlearn, by two weeks before the due dates.

The grading is based on effort and completeness, not on accuracy of the answers. Each assignment will be graded on a scale of {0,1,2}. In answering the questions, students are expected to show their work, i.e., write down key logical steps as well as final answers. Late

submissions will not be accepted. If you fail to submit a problem set and do not provide proper documentation, you will be assigned a mark of zero.

Exams

1) Midterm: There will be one midterm exam, which will be held during the class time on October 16 (Wednesday).

- **Missed midterm:** Students who can document a compelling reason for missing the midterm exam will be excused and the weight of the midterm will be automatically added to the final exam. This documentation may be subject to verification. There will be no deferred midterm exam.

2) Final: The final exam will take place during the Fall term examination period at a time and place set by the University. For updates on the schedule, consult <http://www.carleton.ca/ses>. The final exam is cumulative, though it will be weighted toward the second half of the course.

Satisfactory Performance Criteria: Students must fulfil all of the preceding course requirements in order to achieve a passing grade (D- or higher). Failure to write the final examination when the student has achieved satisfactory performance during the term will result in a grade of 'F' until an appeal to write the deferred final exam in January 2020, if granted by the Registrar's Office. A change of grade will be submitted when the deferred final exam has been written and the marks are available. 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. Application to write a deferred final examination must be made at the Registrar's Office in writing no later than three working days after the original final examination was scheduled.

Re-grading: 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.

Exams or problem sets completed in pencil or erasable ink will not be regraded.

NOTE:

For verification and security purposes, I will not reply to emails originating from non-Carleton e-mail accounts, and which are not signed with a student's name and student number.

Assignments and changes to schedules will be made available on cuLearn only. Please ensure that you have a Carleton email account.

Departmental Drop Box Use: The Dropbox, where your assignment may be inserted through a brass mail slot in the door of room C-876 Loeb into a secure locked box is only to be used for the submission of late assignments. Please make sure you email your TA and instructor if you have placed an assignment in the Dropbox.

Plagiarism:



Please be aware that plagiarism is a serious offense at Carleton and should be recognized and avoided. For further information on how to do so, please see "Pammett on Plagiarism and Paraphrasing" at www.carleton.ca/economics/courses/writing-preliminaries.

Requests for 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

Please contact your instructor 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, visit the Equity Services website:

carleton.ca/equity/wpcontent/uploads/Student-Guide-to-Academic-Accommodation.pdf

Religious obligation

Please contact your instructor 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, visit the Equity Services website:

carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

Academic Accommodations for Students with Disabilities

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your

instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC 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 your instructor as soon as possible to ensure accommodation arrangements are made.

carleton.ca/pmc

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 its 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: carleton.ca/sexual-violence-support

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 must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for



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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>

For more information on academic accommodation, please contact the departmental administrator or visit: students.carleton.ca/course-outline