

Carleton University

Department of Economics

ECON 5021 F MA Macroeconomic Theory 2026 Fall

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Office Hours: By appointment

Lectures: Mondays, 11:35a-2:25p (in person)

Tutorials: Mondays, 4:05p-5:25p

Course Location: Log into Carleton Central to view the location on your timetable.

Course Website: Brightspace

Course Description

Calendar description: *An introduction to graduate-level macroeconomic theory, including topics such as economic growth, consumption, investment, real and nominal frictions in the goods, labour, and credit markets, models of short-run economic fluctuations, and monetary and fiscal policy design.*

This course precludes additional credit for ECON 5002 (no longer offered).

This course introduces advanced techniques and topics in macroeconomic theory at a Master's level. We will cover a range of theoretical models of business cycles, economic growth, consumption, and labour markets.

The main objectives of the course are:

- To develop analytical skills for studying a range of dynamic general equilibrium models. By the end of the course, you should be able to solve macroeconomic models using methods of constrained optimization.
- To understand interactions between macroeconomic theory and data.
- To highlight some important contemporary issues and policy debates in macroeconomics

Textbook

Students are not required to purchase textbooks or other learning materials for this course.

There is no required textbook for the course. A recommended text is David Romer (DR), *Advanced Macroeconomics*, either the 4th or 5th Edition, McGraw-Hill (\$100).

As a supplementary text, you may also in some cases find the following text useful: Jean-Pascal Bénassy, *Macroeconomic Theory*, Oxford University Press (\$120).

NOTE: Textbook costs may vary by vendor and are subject to change.

The course will be taught mainly from my own lecture notes, which will be posted on the course website. These notes generally (though not always) overlap with the above textbooks, though the presentation style is in many cases quite different. As a result, the textbooks, while not necessary, may be useful for some students who feel they could benefit from a different take on the materials covered in the lecture notes. My suggestion is to hold off on buying any textbooks until you have a better idea of whether you might benefit from them.

Course Website

This course will make use of Brightspace. I will post all materials for the course on the Brightspace course website, and also use that platform as a means of communicating important information about the course. Please ensure that you are set up on Brightspace prior to the course start date.

Lectures

All lectures will be held in person only. No recordings will be made available.

As noted above, the course will be taught mainly from my own lecture notes. Throughout the semester, **I will expect you to read through the relevant material for each lecture in advance** of the lecture itself. During the lecture, we will often skip over the simpler aspects of the material (e.g., defining notation, stating common basic assumptions, simple algebra, etc.), instead focusing our class time on the more difficult aspects of the material. If you don't keep up on the readings, you'll probably find the lecture hard to follow. As additional encouragement, we will also hold a number of in-class quizzes throughout the semester (see below) that will be difficult to complete if you haven't done the readings ahead of time.

As a rough guide, we'll typically aim to get through around 10 pages of material per lecture (give or take a couple of pages).

Course Material

As noted above, the course will be taught mainly from my own lecture notes. However, there may be cases where I discuss some things in class that aren't in the lecture notes, or vice versa. Unless I

specifically indicate otherwise, you are responsible for knowing all material discussed in class, in the lecture notes, and on any assignments.

Course Outline and Schedule

The outline below lists the plan for the topics that we will cover,¹ along with the related chapters from the 5th ed. of the Romer textbook (in parentheses).

1. Dynamic Macroeconomic Models (parts of DR Ch. 5)
2. Consumption and Asset Pricing (DR Ch. 8)
3. Economic Growth (parts of DR Ch. 1-3)
4. Business Cycles (DR Ch. 5)
5. Labour Markets in Macroeconomic Models (parts of DR Ch. 11)

Evaluation

Each student's grade will be calculated as follows:

- Quizzes: 10%.
- Tests: 20%.
- Midterm exam: 30%.
- Final exam: 40%.

Quizzes

During a certain number of random lectures throughout the semester—which won't be revealed beforehand—students will be given a quiz to complete. The primary goal of these quizzes is to encourage students to appropriately prepare for and attend the lectures. The questions will refer to material that is to be covered during that same lecture. The only preparation that should be required is to have read the relevant part of the lecture notes in advance.

Tests

There will be three tests, which will be held during normally scheduled tutorial times.

Approximately 7-10 days in advance of each test, students will be provided a set of potential test questions. The actual test questions will then be drawn from the potential questions (either exactly as previously given, or some minor variation thereof).

¹Please note that I reserve the right to make modifications to the list of contents as the term proceeds. If I make a modification, I will provide advance warning either in class or through Brightspace.

Generally, only some subset of the potential questions will be on the test, but which subset exactly won't be revealed in advance. As such, in order to maximize their chances of success, you should attempt to figure out how to solve all of the potential test questions ahead of time.

In preparing for the tests, you are encouraged to discuss the material with classmates. You are also free to use generative artificial intelligence tools (see the policy on AI below). However, the process of struggling with the questions is probably *the* most important learning tool for a course like this. Nothing else will do as much to improve your understanding (and subsequent recollection) of the material. As such, relying heavily on AI tools when preparing will almost certainly be detrimental to your performance both on the tests and on the exams. Furthermore, as you probably know, AI tools can and do sometimes provide incorrect answers. For these reasons, you should exercise caution in your use of AI.

There will be no make-up tests for students who miss one. If you miss or expect to miss a test, you must contact me as soon as possible (in advance if feasible) to notify me of the reason, and then submit an official request for academic consideration. If your request is approved, the weight of the missed test will be automatically added to your final exam. If your request is not approved, you will receive a test grade of 0.

The tentative test dates are as follows: **Oct. 5, Nov. 16, and Dec. 11**. I reserve the right to modify these dates depending on how the semester progresses.

Exams

All exams will be in-person only.

Midterm Exam

The midterm is tentatively scheduled for **Nov. 2** during the tutorial time. However, I reserve the right to modify this date depending on how the semester progresses.

There will be no make-up exam for students who do not write the midterm. If you miss or expect to miss the midterm, you must contact me as soon as possible (in advance if feasible) to notify me of the reason, and then submit an official request for academic consideration. If your request is approved, the weight of the midterm will be automatically added to the final exam. If your request is not approved, you will receive a midterm grade of 0.

Final Exam

The final exam will take place during the term examination period at a time set by the University. Students are not to make travel plans during the exam period as that is not a valid reason for missing a final exam.

The final exam will cover content from the entire course.

Tutorials

The tutorial times for this course will be used for several purposes.

First, as noted above, tests will take place during these times. Second, the week after a test, the TA will typically take up solutions to the test.

Third, as noted above, the **midterm exam will be held during the tutorial time**.

Finally, for all remaining weeks, supplementary practice problems may be posted in advance, and the TA will go through solutions to these problems during the tutorial.

Re-grading

Any request for the remarking of an exam or assignment must be submitted in writing within one week of exam/assignment grades 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 assignment/exam, not just the contentious question. As a result, the revised mark could end up being higher than, lower than, or the same as the original mark.

Final Course Grade

Students must write the final exam in order to achieve a passing grade (B- or higher). Students who do not write the final exam because of illness or other circumstances beyond their control may apply to write a deferred final exam by contacting the Registrar's Office no later than three working days after the original final exam was scheduled. In the event that a student writes a deferred exam, the deferred exam will carry the same weight as the final exam in determining the course grade. Any deferred exam will not be identical to the original final exam.

Standing in a 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.

Generative AI

AI use in this course: Students are allowed to use AI tools in this course to support advancing their knowledge and understanding of the material. Some acceptable uses include:

- Assistance in understanding course materials.
- Assistance in preparing for tests.

Limitations:

- In all cases, students remain responsible and accountable for the accuracy, originality, and academic integrity of all work they submit, regardless of how AI was used in preparing that work.

Documenting use of AI: Provided you abide by the principles described above, it is not necessary to document your use of AI in this course.

Why have I adopted this policy? This policy allows students to leverage AI for more complex tasks, promoting interaction between human intelligence and AI. It supports students learning to effectively integrate AI into their workflow, while maintaining their own intellectual contributions and critical thinking.

As our understanding of the uses of GenAI and its relationship to student work and academic integrity continue to evolve, students are required to discuss their use of GenAI in any circumstance not described here with the course instructor to ensure it supports the learning goals for the course.

Academic Accommodations

Carleton is committed to providing academic accessibility for all individuals. You may need special arrangements to meet your academic obligations during the term. The accommodation request processes, including information about the *Academic Consideration Policy for Students in Medical and Other Extenuating Circumstances*, are outlined on the Academic Accommodations website.

Plagiarism

The Carleton 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 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 (see Generative AI section above)
- 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
- failing to acknowledge sources with 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 follows a rigorous process for academic integrity allegations, including reviewing documents and interviewing the student, when an instructor suspects a violation has been committed. Penalties for violations may include a final grade of "F" for the course.

Statement on Mental Health

As a 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. For more information, please consult <https://wellness.carleton.ca/>.

Treatment of Course Materials

Student, teaching, assignment or professor materials created for this course (including but not limited to lecture slides, presentations and posted notes, labs, case studies, assignments, exams and solutions to 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).