

Department of Economics  
University of Toronto  
2011-2012

**ECO 209Y1Y – L5101**  
**MACROECONOMIC THEORY**  
R 6:00-9:00pm

**INSTRUCTOR:** Dr. Reza Ghaeli  
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**Office Hours:** Thursdays 5 to 6 PM

**COURSE DESCRIPTION**

The course examines modern macroeconomic theory and provides students with a toolkit for analyzing important Canadian macroeconomic issues such as economic growth, unemployment and inflation. Students will learn about the theory of exchange rate determination, capital markets, and international macroeconomic policy. Students will also study how monetary policy and government finances affect interest rates, trade balance, and exchange rates. Throughout the course, students will be required to follow emerging macroeconomic issues and challenges in public media and critically examine how policy makers deal with them.

**REQUIRED TEXTBOOK**

A.B. Abel, B. S. Bernanke, and R.D. Kneebone (**ABK**), *Macroeconomics, Fifth Canadian Edition (Pearson Addison Wesley, 2008)*.

Regular use of the text's Companion Website ([www.pearsoned.ca/abel](http://www.pearsoned.ca/abel)) and the purchase of the text's accompanying *study guide* are recommended.

**READING ASSIGNMENTS**

Reading assignments consist of Chapters 1 to 15 of the required text (ABK) as well as handouts and supplementary materials from time to time. The chapters from the required text will be covered as per the schedule below. Any changes in coverage and deletions, if applicable, will be pre-announced in class and/or posted on the course website. Handouts and supplementary reading assignments will also be posted on the course website during the year. Here is a proposed time line for the course:

<u>Weeks/Lectures</u>	<u>Chapters</u>
1 to 5	Chs. 1- 6
6	<b>Test 1, October 20</b>
7 to 11	Chs. 6, 7, 9 and 10
12	<b>Test 2, December 1</b>
13 to 17	Chs. 10, 8, 11 and 12
18	<b>Test 3, February 16</b>
20 to 23 ( <b>week 19 is Winter Break</b> )	Chs. 12, 13, 14 and 15
24 (March 29)	<b>Test 4, March 29</b>
25	Ch. 15 and wrap up

**LECTURES / TUTORIALS / Office Hours**

Lectures, tutorials and office hours will be held on **Thursdays in room SS (TBA)** as follows: Office Hours from 5 to 6 PM, Lectures from 6 to 8 PM and tutorial from 8 to 9 PM.

**TESTS / EXAMS**

The final mark for the course will be based on FOUR in-class term tests and a final exam. Term tests will be held in class on **dates provided above**. Students are required to write all four tests. If for emergency reasons (e.g., sickness), consistent with the university rules, you miss a term test, its weight will be shifted to the remaining

test(s). The weight for the last test, if missed for emergency reasons, will be shifted to the final exam. In these instances, students are required (without exceptions) to submit official documentation in person (i.e., not by fax or by e-mail) within one week of the missed test. Late submissions will not be accepted. Students who fail to provide a compelling reason for missing a term test will receive a grade of zero for the missed test.

A maximum of two term tests may be missed for emergency reasons subject to conditions outlined above. **Failure to write term tests for a third or fourth time will result in a mark of zero for the missing tests under any circumstances.**

## **DOCUMENTATION REQUIREMENTS FOR SICK NOTES**

The only acceptable sick note for missed tests and exams is a fully completed original University of Toronto Medical Certificate (no photocopies or scans). The form must be completed by a qualified medical doctor (e.g., not an acupuncturist, chiropractor, or other health care professional). The doctor's OHIP registration number must be provided. Late notes or retroactive notes (i.e., student claims to have been sick on the day of the test, but met doctor at a later date) are not acceptable.

## **EVALUATION**

The breakdown of the final grade will be 50% for term tests (12.5% each) and 50% for the final exam.

## **EMAIL POLICY**

Email can be used for course-related inquiries. I will reply to **legitimate** emails within one business day. If you do not receive a reply within this time, please re-submit your inquiry.

When sending emails, please use your UTORmail email account. Each email message must include in the Subject line the course identifier and a concise statement of purpose (e.g. ECO209Y1Y: I have a conflict with the next test); otherwise it is likely to be deleted along with spam messages. Please make sure you consult the course outline, handouts and the course website BEFORE submitting inquiries by email.

Emails should NOT be seen as an alternative to meeting your instructor or your TA during the office hours or tutorials. Nor should emails be used as a mechanism to receive private tutorials (especially prior to tests) or to explain material that was covered in lectures you missed.

## **ACADEMIC HONESTY**

Students are expected to be informed about plagiarism and familiar with Faculty Rules and Regulations, Code of Behavior on Academic Matters and Code of Student Conduct (see University of Toronto Calendar 2011/12) which state your rights, your duties and provide all the details on grading regulations at the University of Toronto.

Good Luck