

University of Toronto, Economics Department, Academic Year 2013-14

Macroeconomics Theory: ECO202Y1, Section L5101

Masoud Anjomshoa: Economics Department, Room: GE344

Email: masoud12@chass.utoronto.ca

Office Hours: Tuesdays 3:00-5:30, Room GE344

Tutorials and Lectures: The 8 to 9pm spot is used for lectures and tutorials every other week, alternatively. The schedule for each month will be posted on the website beforehand.

Course Description:

This course studies the behavior of economies in aggregate level. This is including macroeconomic behavior of economic variables in short run, i.e. economic fluctuations and business cycles, as well as the medium and long run adjustments and trends, and of course economic expansion. In each case, first closed economies are studied, and then we extend our models and knowledge to open economies. Moreover, we will use our models in order to analyze the impacts of shocks, expectations, and government policies.

Exclusions: ECO208Y1/209Y1

Prerequisites: ECO100Y1 (67%)/ECO105Y1 (80%);

MAT133Y1/(MAT123H1, MAT124H1)/(MAT135H1, MAT136H1)/MAT137Y1/MAT157Y1

Prerequisites are strictly checked and enforced and must be completed before taking a course. By taking this course you acknowledge that you will be removed from the course at any time, if you do not meet all the requirements set by the Department of Economics. For further information you can consult the 2013-2014 Courses Calendar, which is available from the Registrar's Office.

Textbook:

Olivier Blanchard, David Johnson, Macroeconomics, Fourth Canadian Edition (2010).

You can use the older Canadian editions of the book, but you need to be careful about the differences in terms of materials, assignments and their solutions.

Evaluations:

	First Term Test	Second Term Test	Third Term Test	Final Exam
Date	Oct. 22, 2013	Dec. 3, 2013	March 4, 2014	TBD
Weight	17%	17%	17%	49%

There will be three term tests, scheduled as in above. There will be **no** make-up test. If for emergency circumstances, acceptable by the university rules, you miss a term test, the weight will be shifted to the final exam. If you miss a test, you should inform me by email within two days, and submit your documentations within a week of the missed test. **If you miss more than a term test, one will be replaced by the final exam, and the rest will receive ZERO under ANY circumstances.**

Website and Email:

- I will post problem sets, solutions, announcements, and other related materials on Blackboard. It is your responsibility to follow up and get the information about tests, exam, and other issues.

- Notes posted on the website may not be complete. They will be completed in class. The complete version will **NOT** be available.

- You should use your UofT email address to communicate with me. Emails are used only as the last resort, and after checking the outline and website. For questions regarding the course materials you should talk to me or TA during the office hours. In case of email, you should put your **last name and student ID# in the subject line, otherwise your email will not be read.**

Appeals:

For re-grading your term tests, you should submit your test papers and a detailed request to the Economics Department or me within 2 weeks after posting the grades on the website. After that no request is accepted. In revision your grade can go either way, up or down.

NOTE: I do not accept appeals to receive more partial points, as granting partial points is up to graders. But you can appeal if the graders have miscalculated your total mark or forgot to grade a part.

Behavior and Conduct in Class:

No distraction in class will be tolerated. You are asked to leave the class if you distract the class by talking to others, or use of electronic devices like cell phone, IPod, or any other devices.

Other Issues:

- Please make sure to have proper prerequisites of this course in order to avoid any problem later on with your registration for this course.
- I will follow the textbook very closely, but supplementary examples, graphs, and materials might be discussed in class. For the tests and exam, you are responsible for all the materials that are discussed in class.
- Students should note that any form of academic misconduct will not be tolerated. Any student caught engaging in such activities will be subject to academic discipline ranging from a mark of zero on a test or examination to dismissal from the university as outlined in the academic handbook. Any student abetting or otherwise assisting in such misconduct will also be subject to academic penalties.
- There will be marginal grade adjustments for the final grade of the course at the instructor's discretion. In case of petition for re-grading of the final exam, the adjustment may be revised.

Topics:

The tentative schedule of the course
Actual pace and coverage of the materials might be different

Topic	Chapter	Week	Materials
Introduction	2	1 - 2	Macroeconomic Data and Approach
Economies in Short Run	3 - 4	3 - 4	Goods and Financial Markets in Closed Economies
	4 - 5	4 - 5	Equilibrium in Goods and Financial Markets in Closed Economies
	5 - 6	6 - 7	Goods and Financial Markets in Closed Economies
	7 - 8	8 - 10	Equilibrium in Goods and Financial Markets in Open Economies
Economies in Medium Run	9 - 10	11 - 12	Labor Market, Unemployment, Aggregate Demand and Supply
	11 - 12	13 - 15	Phillips Curve, Inflation, Unemployment, Output, Expectations
	13	16 - 17	Exchange Rate, Adjustments, Crises, Regimes, Credibility
Economies in Long Run	14 - 15	18 - 20	Economic Growth: Stylized Facts, Saving, Capital Accumulation, and Output Growth.
	16	21	Technological Progress, and Economic Growth
Expectations and Economies	18	22	Expectations
	19	23	Financial Expectations and Expectations
	20	24	Expectations and Consumption