

University of Toronto: Department of Economics
ECO102H1S L5101: Principles of Macroeconomics
Summer, 2017: TR 6-9 PM in MB128

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Office Hours: TR: 12:12:30 PM and 5:40 – 6:00 PM in MB128

TEXTBOOK: *Macroeconomics*, Christopher Ragan (15th Canadian Edition, 2017).
(Recommended, not required; any previous edition is almost as good)

EVALUTION:

Warm-up: First two weeks; Answer survey (www.warmup.utoronto.ca) 2% of Grade
Midterm: July 21 (Friday) 10:00AM – Noon 38% of Grade
EX200 and EX300 depending on surname
Final Exam: Final Exam Period (August 15-18) 60% of Grade

The Midterm covers material from the beginning of the course and the final exam is cumulative, covering the whole course. Students who miss the midterm must email me a scanned copy of a medical/funeral document within one week of the exam to write a make-up from **10 AM –12 Noon on August 4**. Note that this is after the drop-date

Both exams are divided into multiple-choice questions, worth 50% of the exam, and analytic/diagrammatic/calculation/explanation questions, worth 50% of the exam.

LECTURES NOTES/PROBLEM SETS/SAMPLE EXAMS

I will sell a package of Lecture Notes, Problem Sets, and Practice Exams with solutions at cost (\$10) in class. These problem sets are not graded but provide exercises necessary to clarify the economic models presented in the lectures and tested on exams.

TUTORIALS/OFFICE HOURS (TAs):

Teaching Assistants provide tutorials every week to clarify the problem sets and also hold office hours for individual consultation on problems.

TUESDAY	WEDNESDAY	THURSDAY
2 – 3 PM: SS2123	2 – 3 PM: SS1078	2 – 3 PM: SS2123
3 – 4 PM: SS2123	3 – 4 PM: SS1078	3 – 4 PM: SS2123
4 – 5 PM: SS2123		4 – 5 PM: SS2123
5 – 6 PM: SS2123		5 – 6 PM: SS2123

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LECTURE AND READING SCHEDULE

July	4	Overview: Comparative Advantage, Ch. 32, 775-781, 784
		Problem Set: Comparative Advantage
		Business Cycles and Unemployment. Ch. 19, 443-450; Ch. 30, 725-746
July	6	Price Indices and Inflation. Ch. 19, 450-54; Ch. 20: 474-477
		Problem Set: Price Indices and Unemployment
July	11	Gross Domestic Product (GDP) and National Accounts. Ch. 20, 465-468; 477-81
		National Accounts: Expenditure and Income. Ch. 20, 468-474
		Problem Set: National Accounts
		Aggregate Expenditure (AE): Consumption (C). Ch. 21, 485-494
July	13	AE: C + I (Investment) and Equilibrium. Ch. 21, 494-507
		Problem Set: Consumption/Investment
		Equilibrium: $C + I + G + X - IM = Y$ & Multipliers. Ch. 22. 512-532; Appendix
		Problem Set: MacroModel
July	18	Government Deficits. Ch. 31: 751-767
		Money and Banking. Ch. 26, 615-22
July	20	Money Supply. Ch. 26, 623-637
		Problem Set: Money Supply
		Money Demand. Ch. 27: 643-651
JULY	21	MIDTERM: 10:00AM – 12:00 Noon in EX200 or EX300
July	25	Equilibrium Money and Interest Rate. Ch. 27, 651-54
		Problem Set: Money Demand/Supply and Equilibrium
July	27	Bank of Canada and Monetary Policy. Ch. 28, 670-678
		Money and GDP Equilibrium. Ch. 21, 495; Ch. 27, 653-656; Ch. 31, 763-64
		Problem Set: Money and GDP Equilibrium
August	1	Aggregate Demand. Ch. 23, 533-39
		Aggregate Supply and Short-run Equilibrium. Ch. 23, 539-549
		Problem Set: Aggregate Demand/Supply in the Short-run
August	3	Long-run Aggregate Demand/Supply. Ch. 24; Ch. 28: 707-714
		Problem Set: Aggregate Demand/Supply in the Long-run
		Balance of Payments and Flexible Exchange Rates. Ch. 34, 824-856
August	4	Make-up MIDTERM: 10:00 AM – 12 Noon
August	8	Fixed Exchange Rates and Monetary Policy; Ch. 34, continued
		Problem Set: Balance of Payments and Exchange Rates
August	10	Review