

University of Toronto: Department of Economics
ECO102H1 F L0101: Principles of Macroeconomics
Summer, 2018: TWR 10AM-12PM in SF1105

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Office Hours: TR: 12:12:30 PM (SF1105) and 5:40 – 6:00 PM (PB B250)

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

EVALUTION:

Midterm: June 1 (Friday) 10:00 AM – 12:00 Noon in EX200 40% of Grade

Final Exam: Final Exam Period (**June 20-26**): Three hours 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 June 8**. Note that this is after the drop-date and you don't get your exam back, though you may look at it.

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: BA3136 | 2 – 3 PM: SS2111 | 2 – 3 PM: BA3136 |
| 3 – 4 PM: BA3136 | 3 – 4 PM: SS2111 | 3 – 4 PM: BA3136 |
| 4 – 5 PM: BA3136 | 4 – 5 PM: SS2111 | 4 – 5 PM: BA3136 |
| 5 – 6 PM: BA3136 | 5 – 6 PM: SS2111 | 5 – 6 PM: BA3136 |

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LECTURE AND READING SCHEDULE

| | | |
|-------------|----------|--|
| May | 8 | Overview and Business Cycles |
| May | 9 | Unemployment. Ch. 19, 443-450; Ch. 30, 725-746 |
| May | 10 | Price Indices and Inflation. Ch. 19, 450-54; Ch. 20: 474-477 |
| | | Problem Set: Price Indices and Unemployment |
| May | 15 | 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 |
| May | 16 | Aggregate Expenditure (AE): Consumption (C). Ch. 21, 485-494 |
| | | AE: C + I (Investment) and Equilibrium. Ch. 21, 494-507 |
| | | Problem Set: Consumption/Investment |
| May | 17 | Equilibrium: $C + I + G + X - IM = Y$ & Multipliers. Ch. 22. 512-532; Appendix |
| | | Problem Set: MacroModel |
| May | 22 | Government Deficits. Ch. 31: 751-767 |
| May | 23 | Money and Banking. Ch. 26, 615-22 |
| | | Money Supply. Ch. 26, 623-637 |
| | | Problem Set: Money Supply |
| May | 24 | Money Demand. Ch. 27: 643-651 |
| May | 29 | Equilibrium Money and Interest Rate. Ch. 27, 651-54 |
| | | Problem Set: Money Demand/Supply and Equilibrium |
| May | 30 | Bank of Canada and Monetary Policy. Ch. 28, 670-678 |
| May | 31 | Money and GDP Equilibrium. Ch. 21, 495; Ch. 27, 653-656; Ch. 31, 763-64 |
| | | Problem Set: Money and GDP Equilibrium |
| JUNE | 1 | MIDTERM: 10:00AM – 12:00 Noon |
| June | 5 | 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 |
| June | 6 | Long-run Aggregate Demand/Supply. Ch. 24; Ch. 28: 707-714 |
| | | Problem Set: Aggregate Demand/Supply in the Long-run |
| June | 7 | Balance of Payments and Flexible Exchange Rates. Ch. 34, 824-856 |
| June | 8 | Make-up MIDTERM: 10:00 AM – 12 Noon |
| June | 12 | Fixed Exchange Rates and Monetary Policy; Ch. 34, continued |
| | | Problem Set: Balance of Payments and Exchange Rates |
| June | 13 | Review |
| June | 14 | Review |