

University of Toronto: Department of Economics
ECO102H1 F L0101: Principles of Macroeconomics
Summer, 2019: TWR 10AM-12PM in MP128

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Office Hours: After class

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

EVALUTION:

Test	May 17 (Friday): 10:00 – 11:00 AM in EX100, EX310	17% of Grade
Midterm:	May 31 (Friday): 10:00AM – 12:00PM in EX100, EX310	36% of Grade
Final Exam:	Final Exam Period (June 19-26): Three hours	47% of Grade

The test, midterm, and final are cumulative but with more weight on untested material. Each test/exam has 30 multiple choice questions but the midterm and final have an additional 30 and 50 written/diagrammatic marks respectively. Students who miss both the test and the midterm should drop the course since you will receive 0 on the midterm regardless of your excuse. Students who miss one of the test or the midterm must email me a scanned copy of a medical/funeral document within one week of the exam to have the weight of the missing exam transferred to the final. No sane student will miss the midterm, however, since then your final exam will be worth 83% and you will almost certainly fail.

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	2 – 3 PM:	2 – 3 PM:
3 – 4 PM:	3 – 4 PM:	3 – 4 PM:
4 – 5 PM:	4 – 5 PM:	4 – 5 PM:
5 – 6 PM:	5 – 6 PM:	5 – 6 PM:

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LECTURE AND READING SCHEDULE

May	7	Overview and Business Cycles
May	8	Unemployment. Ch. 19, 443-450; Ch. 30, 725-746
May	9	Price Indices and Inflation. Ch. 19, 450-54; Ch. 20: 474-477
		Problem Set: Price Indices and Unemployment
May	14	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	15	Aggregate Expenditure (AE): Consumption (C). Ch. 21, 485-494
		AE: C + I (Investment) and Equilibrium. Ch. 21, 494-507
		Problem Set: Consumption/Investment
May	16	Equilibrium: $C + I + G + X - IM = Y$ & Multipliers. Ch. 22. 512-532; Appendix
		Problem Set: MacroModel
May	17	TEST: 10:00 – 11:00 AM in EX100 and EX310
May	21	Government Deficits. Ch. 31: 751-767
May	22	Money and Banking. Ch. 26, 615-22
		Money Supply. Ch. 26, 623-637
		Problem Set: Money Supply
May	23	Money Demand. Ch. 27: 643-651
May	28	Equilibrium Money and Interest Rate. Ch. 27, 651-54
		Problem Set: Money Demand/Supply and Equilibrium
May	29	Bank of Canada and Monetary Policy. Ch. 28, 670-678
May	30	Money and GDP Equilibrium. Ch. 21, 495; Ch. 27, 653-656; Ch. 31, 763-64
		Problem Set: Money and GDP Equilibrium
MAY	31	MIDTERM: 10:00AM – 12:00 Noon in EX100 and EX310
June	4	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	5	Long-run Aggregate Demand/Supply. Ch. 24; Ch. 28: 707-714
		Problem Set: Aggregate Demand/Supply in the Long-run
June	6	Balance of Payments and Flexible Exchange Rates. Ch. 34, 824-856
June	11	Fixed Exchange Rates and Monetary Policy; Ch. 34, continued
		Problem Set: Balance of Payments and Exchange Rates
June	12	Review
June	13	Review