

**Economics 102 H: Winter 2020**  
**Section L0201 and L0301**  
**Principles of Macroeconomics**

Loren Brandt  
Professor of Economics  
Department of Economics  
150 St. George Street, Room 303

Email: [loren.brandt@utoronto.ca](mailto:loren.brandt@utoronto.ca)

Office Hours: Monday, 2:30-4 pm

### **Course Description**

This is an introductory course in basic macroeconomic principles. Our focus is on the operation of the economy in the aggregate, and how the actions of individuals and firms interact to determine the economy-wide level of economic performance including the level of output, unemployment and inflation. In this context, we will analyze the important role of government and government policy in the macro economy. We will also cover issues relating to exchange rates and international trade. This course is designed to expose you to the facts, theories and models of the discipline of macroeconomics. It is also designed to develop your analytical skills, to help you to think for yourself, and to learn to apply the principles and techniques of economics to new problems and situations.

### **Text and Study Guide**

The text for the course is *Macroeconomics*, 3<sup>rd</sup> Canadian Edition, by Paul Krugman et. al. (2018). You are free to use earlier editions, but it is your responsibility to check for any differences with the 3<sup>rd</sup> edition.

We will also utilize Sapling Learning, an online platform that provides supplementary problems. Instructions for registering will be announced on Quercus.

The problems on Sapling are primarily multiple choice and typically easier than those you will see on exams/tests. They can still be helpful for getting started. For each chapter in Krugman, we will identify problems at the end of the chapter to work through. Additional problems will be assigned that you can access through the class portal on Quercus under “Assignments”. These problems will be taken up in tutorial. There is no substitute for working through these problems for preparation for the final.

### **Grades**

Your final grade is based on two term tests, mandatory assignments and quizzes, and a comprehensive final exam. Altogether, there will be 8 to 10 weekly assignments or

quizzes. The quizzes will be given during tutorial and will be relatively short. We will post announcements regarding all quizzes the week before.

The breakdown is as follows:

	Date	Percentage
Term Test 1	February 6	25%
Term Test 2	March 12	25%
Assignments/Quizzes	Weekly	10%
Final Exam	April (TBD)	40%
Total		100%

### **Term Tests**

Term tests are scheduled for evening as follows:

- Term Test 1 on Thursday, February 6<sup>th</sup>, 6:30 PM – 8 PM
- Term Test 2 on Thursday, March 12<sup>th</sup>, 6:30 PM – 8 PM

These tests are held out of normal lecture hours. **In the event of a conflict, you must inform me by Monday January 27<sup>th</sup>, and Monday March 2<sup>nd</sup>.**

Solutions to tests will only be discussed in office hours.

Appeals of test grades, which must be in writing (no emails), must be submitted within two weeks of the return of graded tests. In your appeal, you must identify the questions that you believe were marked incorrectly and provide an explanation as to why you believe you deserve additional marks.

### **Missed Tests**

Do your best not to miss term tests. In the event of unavoidable illness, family emergency, etc., please try to notify me beforehand that you will not be able to take the exam. You must also provide documentation to me within one week. Medical notes must say that you were too ill to write the test. You must use the University of Toronto “Verification of Student Illness or Injury Form” which can be found at: [www.illnessverification.utoronto.ca](http://www.illnessverification.utoronto.ca).

A comprehensive Make-up Test will be scheduled in the first week of April for students who missed either of the two term tests. It will cover material from the entire semester.

## **Missed Quizzes**

There are also no make-ups in the case of quizzes. If you miss a quiz, please provide the same kind of documentation as requested for a missed exam. Your grades on other assignments and quizzes will be reweighted.

## **Final Examination and Final Grade**

The final examination in Exam Week is scheduled for all sections of this course at the same time. The final exam covers the entire course materials and will be the same for all sections.

You must obtain a grade of 63% in ECO 102 to be eligible to take higher-level courses required for an Economics Major degree. Unfortunately, not every student achieves this mark.

Awarding of final grades is coordinated across all sections of Eco 102 in order to assure fair treatment of all students. Below is an official statement about final grades:

## **Lectures and Tutorials**

Lectures will be on every Monday and Wednesday. There will not be class on Fridays unless we need to make up a lecture. Outlines of lectures will be posted on the Quercus (Q) course website in advance of class. These outlines usually span more than a single class. It will be useful to review the outlines before the class, and to come to class with a copy of the outline. Problems in the outline will be solved during the lecture, and solutions will not be separately posted.

In addition to the lectures, there will also be weekly tutorials that will begin the first week of classes. The primary purpose of the tutorials will be to review material from the lecture, and to work through problem sets that will be provided in advance. In some weeks, there will also be short quizzes (10-15 minutes). An email will be going out to students for the purpose of signing up for tutorial times.

Working through the Sapling Learning materials, and doing the problems assigned is the best way to learn how to do economics.

## **Office Hours**

In addition to my office hours, TAs will regularly hold office hours to go through material and problems. We will also increase the number of hours prior to exams.

The Economics Department also runs a Economics Study Center that is staffed by 3<sup>rd</sup> and 4<sup>th</sup> year undergraduates. This provides an excellent resource.

## **Email Protocol**

Economics 102 is very large class, which unfortunately makes it difficult for me to reply to class emails. Please reserve emails for me for emergencies.

### Class Schedule

Lecture Number	Day	Date	Topic	Chapters	Tutorial Week
1	M	6-Jan	GDP and Unemployment	6, 7 and 8	✓
2	W	8-Jan			
3	M	13-Jan	CPI and Inflation	7 and 8	✓
4	W	15-Jan			
5	M	20-Jan	Long-run Growth	9	✓
6	W	22-Jan			
7	M	27-Jan	Savings and Investment	10	✓
8	W	29-Jan			
9	M	3-Feb	Income and Expenditure	11, 11a and 13a	✓
10	W	5-Feb			
	Thurs	6-Feb	<b>First Term Exam</b>		Chapters 6-10
11	M	11-Feb	Aggregate Demand and Supply	12	✓
12	W	13-Feb			
	M	17-Feb	<b>Reading Week- No Class</b>		
	W	19-Feb			
13	M	24-Feb	Fiscal Policy	13	✓
14	W	26-Feb			
15	M	2-Mar	Money and Banking	14	✓
16	W	4-Mar			
17	M	9-Mar	Monetary Policy	15	✓
18	W	11-Mar			
	Thurs	12-Mar	<b>Second Term Test</b>		Chapters 11-14
19	M	16-Mar	Banking Crises	Handout	✓
20	W	18-Mar			
21	M	23-Mar	Exchange Rates	18	✓
22	W	25-Mar			
23	M	30-March	International Trade	5	✓
24	W	1-Apr			
		TBA	<b>Make up Test</b>		Comprehensive, except Chapter 5
		TBS	<b>Final Exam</b>		Comprehensive