

University of Toronto  
Department of Economics  
ECO208Y1Y L0101  
Macroeconomic Theory  
2023-2024  
Professor Joseph Steinberg  
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**Lecture:** Tuesdays, 3:10–5:00pm. Fall location: MPI02. Winter location: RW117.

**Tutorial:** Thursdays, 1:10-3:00pm. Fall location: MB128. Winter location: WB116.

**Office hours:** Wednesdays, 1:00–3:00pm in GE226. **Appointment required!**

**Teaching assistant:** Guangbin Hong ([g.hong@mail.utoronto.ca](mailto:g.hong@mail.utoronto.ca))

**Course Description:** ECO208 is an intermediate-level course in macroeconomics. The course develops a unified framework that is based on micro-foundations to study macroeconomic events and policy. Topics covered in the course include: (a) measurement of output, prices, and business cycles, (b) economic growth, (c) analysis of fiscal and monetary policy, (d) business cycles, (e) international trade and exchange rates, (f) unemployment. Data from the Canadian, U.S. and a number of other economies will be used throughout the course.

**Prerequisites:** The following courses are prerequisites for this course: ECO101H1; ECO102H1; MAT133Y1/(MAT123H1,MAT124H1)/(MAT135H1, MAT136H1)/MAT137Y1/MAT157Y1. Students are responsible for ensuring any prerequisites for this course have been fulfilled. Prerequisites must be completed before taking this course. By taking this course, you acknowledge that you can be removed from the course at any time if you do not meet all requirements. For further information, please consult the Course Calendar available from the Registrar's Office.

**Textbook:** We will use “Macroeconomics” by Stephen Williamson, Sixth Canadian edition. You can buy an eText copy from

- The UofT bookstore: <https://www.uoftbookstore.com>
- Direct from the publisher: <https://www.pearson.com/store/p/macroeconomics-canadian-edition/P200000002651/9780135616253>

I will also draw from an excellent set of lecture notes/slides recently created by Benjamin Moll of the London School of Economics, which you can find here: <https://benjaminmoll.com/lectures> (see the “Intermediate Macroeconomics” section of the page). I will provide links on Quercus to specific Ben Moll lectures that we will use.

**Contact Policy:** The preferred method of communication is in-person during lectures, tutorials, and office hours. Due to the size of the class, e-mail communication will be reserved only for urgent administrative questions. First, please make sure that your question is not already answered on the syllabus or the announcements posted on the course website. In most cases, it is.

If you have any questions related to course content, they should be asked during the lectures, tutorials, or office hours. If you have any administrative questions that are not urgent, likewise, they should be asked during lectures, tutorials, or office hours. If you have urgent administrative questions, you may email me at [joseph.steinberg@utoronto.ca](mailto:joseph.steinberg@utoronto.ca). In such a case, please make sure to identify yourself (full name) and use your official utoronto.ca e-mail account. Failure to follow the described contact policy can affect your grade negatively, as explained below.

**Grading and Exam Policy:** The course grade consists of term work worth 63% and a final exam worth 37%. Term work includes three term tests (worth 50% in total), two written assignments (10% total), and a communication grade (3%).

- **Tests:** Tests will be written during lecture time. While three tests will be given, **only the best two of the three tests will be counted towards the course grade**. Each of these two best tests will count for 25% of the course grade. There will be NO make-ups for term tests. This means that if a student fails to take two midterm exams, the grade for one of the exams will be zero – i.e. 0 for 25% of the final grade. Failing to take all three midterm exams means 0 for 50% of the final grade.
- **Writing assignments:** The two writing assignments are worth 5% each. We will have one assignment each semester. Writing assignments must be submitted on Quercus. It is every student's responsibility to ensure that their assignments are submitted successfully by the due date. If the deadline is missed, you may submit a late assignment within 7 days of the deadline, but this will result in a late penalty of 30% of the grade for the assignment.
- **Communication:** The remaining 3% is the "communication grade". Every student starts out with the full 3%. Individual grades will be lowered if the student fails to follow the course contact policy, asks questions that are already answered in the syllabus, assignment text, online announcements, etc. The aim of this policy is to encourage students to pay attention to the communicated information, and to avoid heavy e-mail traffic when relevant information is already available through other channels.

**Office hours:** I will hold office hours on Wednesdays from 1–3pm. If you would like to attend my office hours, you must reserve a time slot in advance using this Google Docs calendar: <https://tinyurl.com/y6qytuvu>. As shown in the calendar, time slots are available in 15-minute increments. To reserve a slot, simply type your name. You may only reserve multiple time slots if you email me first. One exception to this policy is if you would like to attend office hours in a group of several students (many students like to do this before term tests). Groups of X students may reserve X time slots, where X is any number greater than or equal to one. Just fill in the names of all students in the group in each of the slots on the calendar that you would like to reserve.

**Verification of Illness or Injury:** If you become ill and it affects your ability to do your academic work, you can use Absence Declaration (via ACORN) or the University's Verification of Student Illness or Injury (VOI) form. The VOI indicates the impact and severity of the illness, while protecting your privacy about the details of the nature of the illness. For more information

on the VOI, please see <http://www.illnessverification.utoronto.ca>. For information on Absence Declaration Tool for A&S students, please see <https://www.artsci.utoronto.ca/absence>. If you get a concussion, break your hand, or suffer some other acute injury, you should register with Accessibility Services as soon as possible.

**Re-grading Policy:** Students who want to have a term test or assignment re-graded must submit a re-grade form within two weeks of receiving the grade. The re-grade form will be available on Quercus after the test/assignment grades are posted. The request must provide specific information about your concerns (a simple request asking for a regrade without justification will not be sufficient to have a regrade request granted). Please be advised that the marker may re-read & re-mark the whole test and your overall mark may go up, down, or remain the same.

**Tutorials & sample Problems:** Suggested sample problems will be assigned for the topics covered in class, but they will not be handed in or graded. On most weeks, some of the problems will be covered in the tutorial video, and your TA will answer questions during the tutorial meetings.

**Quercus:** This course uses the University's learning management system, Quercus, to post information about the course, including materials required to complete class activities and course assignments, share important announcements and updates, and foster academic discussion between learners. The site is dynamic and new information and resources will be posted regularly as we move through the term. The principal source of information about all course-related work will be the course site in Quercus, so please make it a habit to log in to the site on a regular if not daily basis. Please note that any grades posted within the Quercus Grade Centre are posted for your information only, so you can view and track your progress through the course. No grades are considered official, included any posted in Quercus at any point in the term, until they have been formally approved by the Course Instructor at the end of the course.

**Crowdmark:** This course will use Crowdmark, a collaborative online grading tool for marking and providing feedback on graded term assessments. Crowdmark provides efficiencies with grading, data recording, returning term assessments and handling regrade requests. Copies of student work marked in Crowdmark, including grading and feedback, will be available online to students for at least one year. Digital (i.e., online) copies will serve as the authoritative record for course administrative purposes, and paper copies of assessments scanned and uploaded to Crowdmark will be destroyed after the term has ended and final grades are approved. If students have questions about how your information is stored on Crowdmark, please contact your course instructor.

**Ouriginal:** Students will be required to submit their writing assignments to Ouriginal (via the Quercus course portal) for a review of textual similarity and detection of possible plagiarism. In making a submission, students will allow their assignments to be included as source documents in the reference database. These will be used solely for the purpose of detecting plagiarism. If you have an objection to the use of Ouriginal for the submission of your work, please make an appointment to speak with me to discuss alternative arrangements more than one week before the posted due date.

**Notes on generative AI:** Students are encouraged to make use of technology, including generative artificial intelligence tools, to contribute to their understanding of course materials. You may find these tools to be particularly useful in preparing your writing assignments. Regardless of whether you use these tools, you are ultimately accountable for the work you submit. You are not required to cite AI-generated content or provide documentation of the prompts you used to obtain this content.

**Ongoing Learning Disability or Accommodation Requirement:** Students with diverse learning styles and needs are welcome in this course. If you have an ongoing disability issue or accommodation need, you should register with Accessibility Services (AS) (<http://www.studentlife.utoronto.ca/as>) at the beginning of the academic year. Without registration, you will not be able to verify your situation with your instructors, and instructors will not be advised about your accommodation needs. AS will then assess your medical situation, develop an accommodation plan with you, and support you in requesting accommodation for your course work. Remember that the process of accommodation is private: AS will not share details of your condition with any instructor, and your instructors will not reveal that you are registered with AS.

**Academic Integrity:** All students, faculty and staff are expected to follow the University's guidelines and policies on academic integrity. For students, this means following the standards of academic honesty when writing assignments, citing and using source material appropriately, collaborating with fellow students, and writing tests and exams. Potential offences include, but are not limited to:

- Using someone else's ideas or words without appropriate acknowledgement in term work.
- Submitting your own work in more than one course without the permission of the instructor.
- Fabricating sources or facts.
- Obtaining or providing unauthorized assistance on any assignment (including purchasing of a term assignment)
- Using or possessing unauthorized aids on tests.
- Looking at someone else's answers during an exam or test.
- Misrepresenting your identity.
- Falsifying institutional documents or grades.
- Falsifying or altering any documentation required, including (but not limited to) doctor's notes.
- Posting test, essay, or exam questions to message boards or social media.
- Creating, accessing, and sharing assessment questions and answers in virtual "course groups."

- Working collaboratively, in-person or online, with others on assessments that are expected to be completed individually.
- Accessing unauthorized resources (search engines, chat rooms, Reddit, etc.) for assessments.

Consult the Code of Behaviour on Academic Matters for a complete outline of the University's policy and expectations:

<https://governingcouncil.utoronto.ca/secretariat/policies/code-behaviour-academic-matters-july-1-2019>

**Economics Study Centre:** Students enrolled in the course will be able to benefit from the Economics Study Centre. This is a valuable resource that you can make use of if you are having trouble with economics courses in general, or have trouble catching up. See the Department of Economics website for further information:

<https://www.economics.utoronto.ca/index.php/index/undergraduate/load/studyCentre>

**English Language Learning:** ELL supports all U of T undergraduates enrolled in the Faculty of Arts and Science whose first language is not English (ESL or multilingual students), as well as native speakers seeking to improve their English language skills. Learn more at:

<http://www.artsci.utoronto.ca/current/advising/ell>

**General Outline (tentative):**

- 1) Introduction (Chapter 1)
- 2) Measurement (Chapter 2)
- 3) Consumer and Firm Behaviour (Chapter 4)
- 4) A Closed-Economy One-Period Macroeconomic Model (Chapter 5)
- 5) Search and Unemployment (Chapter 6)
- 6) Economic Growth (Chapters 7-8)
- 7) A Two-Period Model (Chapter 9)
- 8) Business Cycle Measurement (Chapter 3)
- 9) A Real Intertemporal Model with Investment (Chapter 11)
- 10) A Monetary Intertemporal Model (Chapter 12)
- 11) Business Cycle Models (Chapter 13)
- 12) International Trade in Goods and Assets (Chapter 15)
- 13) Money in the Open Economy (Chapter 16)

**Important Dates (tentative):**

Sep 12, 2023: First lecture meeting (no tutorial this week!)

Sep 21, 2023: First tutorial meeting.

Oct 3, 2023: Virtual lecture via Zoom

**Oct 17, 2023: First midterm exam.**

First week of Nov: Assignment 1 posted (tentative).

Nov 6-10, 2023: Fall reading week, no lecture or tutorial.

November 28, 2023: Due date for Assignment 1 (tentative).

**Dec 5, 2023: Second midterm exam.**

Jan 9, 2023: First lecture of the semester (no tutorial this week!)

Feb 19-24, 2023: Winter reading week, no lecture or tutorial.

**Feb 27, 2023: Third midterm exam.**

First week of Mar: Assignment 2 posted (tentative).

March 26, 2023: Due date for Assignment 2 (tentative).

April 2+4, 2023: Last lecture and tutorial.

**Winter 2023 Final Exam Period: Final Exam.**