

ECO102H1S – Principles of Macroeconomics

Dept. of Economics, University of Toronto, Prof. Tyler Paul
Sections L0401 and L5101/L2501, Spring 2024

Course Quercus

<https://q.utoronto.ca/courses/339092>

Course Description

This course will introduce you to macroeconomics, the study of national economies and the policies governments' use to improve their performance. Macroeconomics can be split into two broad subcategories: long-run growth and short-run fluctuations. Growth macroeconomics asks questions like: why are some nations rich and some nations poor? What factors contribute to the growth of an economy? What role do governments play in promoting growth? Short-run macroeconomics studies the business cycle, or the alternating pattern of accelerating and slackening economic activity. Here we ask what happens during recessions, and can the government offset their impact? To study these ideas, we will first learn how to define and measure aggregate activity, like the unemployment rate, the price level, and the total value of national output.

Learning Objectives

This course has five key learning objectives:

- 1) Measure aggregate activity in an economy by applying the definitions of Gross Domestic Product, the unemployment rate, and the inflation rate
- 2) Review the historical evidence of economic performance over time and discover the key factors behind economic growth
- 3) Develop and use an intuitive graphical model relating key macroeconomic variables in order to understand the short-run aggregate impact of various shocks and policy decisions
- 4) Analyze the ways in which the government can affect both long-run and short-run economic performance through monetary and fiscal policy
- 5) Understand how exchange rates are determined and the growing importance of international trade

Course Delivery

This course will be taught **fully in person** at the St. George campus. We will meet weekly for a two-hour lecture and a one-hour tutorial. Section L0401 meets Mondays from 3-5pm in MS 2158, while sections L5101/L2501 meet Mondays from 5-7pm in MS 2158. Tutorials are spread throughout the week – please see the information posted to Quercus regarding tutorial times and locations.

Lecture attendance is mandatory and forms part of your course grade (see below for details). During lectures I will present core course material from the textbook and other sources, as well as work through practice problems with you. Lectures will be recorded and posted online to

Quercus to help you review while studying. All exams will be **in person**, while other forms of assessment will be delivered **online** through Quercus and/or Crowdmark.

TAs will lead tutorials by reviewing lecture material, solving new practice problems step-by-step, and answering any questions you may have. Tutorial attendance is optional but *strongly* recommended. Students who attend tutorials tend to perform significantly better than students who do not.

Required Textbook

***Principles of Macroeconomics*, by Kevin Milligna, Philip Oreopoulos, Betsey Stevenson, and Justin Wolfers, 2023, 1st Canadian edition.** The text is available through the U of T bookstore in both physical and digital form. We will be using the book extensively so ensure you have access to a copy.

Technology Requirements

To access course materials and submit assignments you will need internet access. To receive in-class participation points you will need to purchase an iClicker account, either from the website or the app: <https://student.iclicker.com/#/login>. This account will be active for 6 months and can be used for all of your classes.

If you have a previously-purchased iClicker remote you can avoid paying for a new iClicker account as long as the remote has never been registered. To do so, make sure you **register on Quercus, not the iClicker website**. Once registered you must link your remote to the iClicker app and use that instead, so you no longer need to bring the remote each week. For details on how to register your iClicker remote: <https://teaching.utoronto.ca/resources/student-support/>

Purchasing the digital textbook or certain versions of the physical textbook will provide access to **Achieve**, which is an online learning platform with additional practice problems and guided exercises. These problems will be easier than what you will see on exams, but they are a useful source of extra practice.

Office Hours

I will hold in-person office hours on **Mondays from 1-2:30pm** in room GE346 (the Max Gluskin building). I will also hold a virtual office hour via Zoom on **Wednesdays from 3-4pm**. If these times are not well attended I may adjust them to ensure more students have access. The TAs will hold in-person and virtual office hours on a rotating schedule. Please see the schedule posted to Quercus for exact times, dates, locations and Zoom links.

Communication

I will post course announcements to Quercus, which will automatically email your U of T address by default. Make sure your notification settings allow announcements to be forwarded to your email. You are responsible for reading all announcements. All course material will be posted to Quercus.

All questions regarding course logistics should be directed to the course email account: ECO102H1S.A@course.utoronto.ca. This inbox will be monitored by Economics department staff who can answer any queries regarding scheduling, assignment due dates, accommodations,

etc. If they are unable to help you they will forward your request directly to me. Please **do not** send direct emails to Professor Paul or the TAs.

Questions relating to course content are best answered during class, tutorials, or in office hours. Additionally we will use **Piazza** as an online discussion board. Piazza allows you to post questions (anonymously if you prefer) to your classmates and the TAs. If you know the answer to another student's question feel free to reply, and the TA will mark your answer as correct if they agree. The board will be monitored daily by a TA and myself, and we will answer as many questions as we have time to each day. However, due to the size of the class we may be unable to answer every new question as they come up. Please wait 48 hours before re-asking a question if it hasn't been answered yet. You can access Piazza through a link in the sidebar on Quercus.

Grades, Assignments, and Important Dates

Assignment	Weight	Due date
Class participation (10)	5%	Every lecture
Online Quizzes (10)	10%	Every Sunday at 11:59pm
Midterm exams (2)	40%	MT1: Feb 9 from 5-7pm MT2: Mar 6 from 6-8pm
Final exam (1)	45%	Final exam period

Class Participation

During each lecture I will ask you to answer several questions regarding the material using the iClicker app. Fully responding to **the majority of questions** during lecture will earn participation credit for that day worth $\frac{1}{2}$ % of your overall grade. You will receive credit regardless of the accuracy of your answers. However, I reserve the right to change this requirement without notice to ensure that students who respond are physically present in lecture. I will **automatically drop two classes** from your participation grade, which means you only need to participate in **10 lectures** to receive full credit.

If you encounter technical difficulties during a lecture and believe your responses were not sent, you must **email the course inbox ASAP**. You are responsible for checking your Quercus grades to ensure you received participation for each class. The gradebook will be updated within 48 hours of lecture. You have **four days following lecture** to file any claims that the technology failed.

Online Quizzes

Each week I will post a short quiz to Quercus which will ask you a variety of multiple choice and numeric questions regarding the material. This quiz will be graded **for participation only**: if you make an honest attempt to answer each question, you will get full credit. You will receive no credit if you: a) fail to submit the quiz on-time, or; b) clearly do not try to solve the questions. As these quizzes are for participation only, you are free to discuss questions with classmates and work together.

There will be 11 quizzes in total, and each quiz will be worth 1% of your overall grade. I will **automatically drop your lowest score**. This means if you forget to do one quiz, you will still earn full credit. Submitting all 11 quizzes will not earn any additional points. There will be **no extensions** for quizzes. Late submissions will **receive zero points**.

The purpose of these quizzes is twofold: first, they encourage you to think about the course material outside of lectures and tutorials. Frequent reviewing of content will help you retain knowledge and make studying for exams easier. Second, they give you a low-stakes opportunity to practice the material. Do not stress about getting everything correct, as simply trying will earn you full marks. Instead, treat the quizzes as a chance to test yourself to find any gaps in your understanding. You may re-take the quizzes as many times as you like after the due date without penalty.

Midterm and Final Exams

There will be two midterm exams during the semester, each worth 20%, and one final exam worth 45% during the final exam period. Midterm 1 will be held on February 9th. Midterm 2 will be held on March 6th. Please see Quercus for details on which room you should attend. The final exam will be cumulative and thus longer than the midterm exams. All exams will be closed book. I will post more details about each exam as we approach them.

Regrade Requests for Exams

Regrade requests must be submitted online through the MS Form provided on Quercus. The form will be posted one week after the exam has been returned. You have **one week once the form is posted to submit a regrade request**. After this time we will not honour any regrade requests. On the form you must: identify the specific question(s) you believe you deserve more marks; explain in detail why you deserve more marks. Requests with no explanation or insufficient detail will be denied.

Missing Midterms Due to Unforeseeable Events

Under normal circumstances, the failure to take a midterm during the designated time will result in a zero for that exam. On rare occasions we will grant special accommodations due to illness, injury, legal issues, personal/family problems, extracurricular conflicts, religious practices, accessibility concerns, or other unusual and serious situations. Missing a midterm due to, for example, sleeping through your alarm or working late at a job will not receive special accommodations.

In order to be considered for a potential make-up exam **you must alert me as soon as you know** you will be unable to attend class. In most cases this must be **before the exam**. I will only consider granting a make-up exam for students who contact me after missing an exam if their situation would reasonably prevent them from contacting me sooner.

To inform me of your inability to attend an exam and to request a make-up, please complete these steps:

- 1) Obtain **one** of the following pieces of documentation to verify your absence:
 - i. Absence declaration form via [ACORN](#)

- When submitting via ACORN, please send the verification email to the course inbox: ECO102H1S.A@course.utoronto.ca
 - ii. Verification of Illness or Injury Form ([VOI](#))
 - iii. College Registrar's letter
 - iv. Letter of Academic Accommodation from Accessibility Services
- 2) Complete the Missed Term Test form on Quercus and attach your documentation from the previous step. The date at which this is submitted will be used when considering your request. When explaining your absence, you may provide as much detail as you feel comfortable, but **you are not required to reveal anything personal**. If your absence involves a deeply private issue, please seek guidance from your College Registrar first about how to communicate with me.
 - 3) One week after submitting the Missed Term Test form you will receive an email from me that will either: approve your request for a make-up exam; ask for more information; or deny your request. If you feel you I have not treated your request fairly you may contact your College Registrar to mediate.

The above steps **must be followed** to receive consideration. Additionally, you are welcome to contact me via email or in office hours to further discuss your absence, but this is not required. You should also review the Arts and Sciences specific policy details here:

<https://www.artsci.utoronto.ca/current/academics/student-absences>

Note, the Absence Declaration form can only be used once per academic term for up to seven consecutive days. If other subsequent issues arise, then you will need to provide other forms of recognized documentation (e.g., Verification of Illness Form, College Registrar's Letter, or a Letter of Academic Accommodation from Accessibility Services).

There will be **one make-up midterm exam** scheduled for the week of March 18th. This exam will cover material from both midterms 1 and 2. There will be **no other make-up exams scheduled, and no transferring of weights to the final exam**. If you miss two midterms throughout the year you will only be able to make-up one. If you anticipate that may happen please contact your College Registrar as soon as possible to discuss your academic plans. Missing the final exam will require a petition to the Faculty of Arts & Sciences.

If you are facing significant difficulties in attending class or completing assignments that continue for longer than a week you should contact your [College Registrar](#) immediately for assistance.

Notice of 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 you have questions about how your information is stored on Crowdmark, please contact the course inbox.

Notice of Lecture Recordings

This course, including your participation, will be recorded on video and will be available to students in the course for viewing remotely and after each session. Course videos and materials belong to myself, the University, and/or other sources depending on the specific facts of each situation and are protected by copyright. Do not download, copy, or share any course or student materials or videos without my explicit permission. For questions about the recording and use of videos in which you appear, please contact me via email.

Accessibility, Inclusion, and Support Resources

Students with diverse backgrounds, perspectives, learning styles and needs are welcome in this course. I want the classroom to be an open and welcoming environment where everyone feels comfortable to raise their hand and speak. If you feel there are things I could do better to improve the inclusion in the classroom please let me know.

Additionally, the university provides a variety of support services for students:

- For course catalog questions including prerequisites, please contact the Department of Economics [undergraduate administrator](#).
- If you require accommodations for a disability or health concern please visit the [Accessibility Services Office](#). You can register your needs with [Accessibility Services](#).
- For resources to promote your academic success, visit the [Academic Success Centre](#).
- The university provides all students with free 24-hour access to the [U of T Telus Health Student Support](#) line. You can confidentially speak with a counsellor about any mental health or life issues affecting you, or set-up an appointment for ongoing support. This is a fantastic resource; I suggest using it early, before the stress of the semester piles up, so that you will be more confident to face future challenges.
- For long-term issues that are impacting your academics, contact your [College Registrar](#).

Academic Integrity

Academic integrity is central to a UofT education. We take academic integrity very seriously, and so should you. As a member of the university community you have committed to act with honesty, trust, fairness, respect, responsibility and courage in all academic matters. No student plans on violating this commitment at the initially, but . Most academic integrity violations occur due to circumstance: fast-approaching deadlines, falling behind in work, worrying about poor performance, or anything that causes stress. In these cases, cheating is **not** the easy way out. Not only do you cheapen the time you spend here, but the risk of failing the class and setting back your academic progress is extremely high. To avoid making an academic integrity violation, follow these guidelines:

- **Do your own work.** We design course work to develop and assess skills useful in upper-level courses and the job market. You lose a valuable opportunity to develop these skills and lower the value of the UofT brand when you cheat.
- **Properly acknowledge other people's ideas.** You'd want the same for your ideas.
- **Ask if you are unsure.** I have tried to be clear about the resources and potential for collaboration allowed on each assignment. If you are still unsure after reviewing the syllabus, please ask me. Being unsure of what constitutes an academic integrity violation

is not an excuse, and will still be fully report to the Department of Economics and the Office of Student Academic Integrity.

- Normally, students will be required to submit their course writing assignments to the University's plagiarism detection tool for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their work to be included as source documents in the tool's reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of this tool are described on the Centre for Teaching Support & Innovation web site (<https://uoft.me/pdt-faq>).
- Read the University of Toronto's Code of Behavior on Academic Matters (<https://www.artsci.utoronto.ca/current/academic-advising-and-support/student-academic-integrity>).

Statement of Positive Encouragement

Here are three ideals that I strongly believe can improve your university experience.

1) This class (and all others) should be enjoyable and fun.

Congratulations on making it this far in your academic career. You now have the luxury of studying topics that you personally find interesting. That's awesome! Enjoy this time, and have fun soaking up as much knowledge as you can.

2) You absolutely will succeed if you believe you can.

A necessary condition for ensuring your success is to believe in yourself. Your acceptance into U of T indicates you have the capacity to do well, but more important is envisioning yourself achieving your goals. Taking ownership of your learning with confidence is a great way to get the most out of this course.

3) Your professor and TAs are on your team.

You're not alone! We are here to help you – our goal is to develop capable and learned members of society. We've all been in your shoes before, so we know the types of challenges you may face. Don't be afraid to ask for help.

Topics Outline

Below is a tentative sequence of topics we will cover. The actual order and material covered may differ throughout the semester.

Week	Chapter	Chapter Title
Jan 8	9	Sizing Up the Economy Using GDP
Jan 15	12	Inflation and Money
	11	Unemployment
Jan 22	10	Economic Growth
Jan 29	14	Investment
	15	The Financial Sector: Banks, Bonds, and Stocks
Feb 5	17	Tracking the Business Cycle
	Appendix	A Closer Look at Aggregate Expenditure and the Multiplier
	Midterm 1: chapters 9, 10, 11, 12, 14, 15	
Feb 12	18	IS-MP Analysis: Interest Rates and Output
Feb 19	Reading Week	
Feb 26	19	The Phillips Curve and Inflation
Mar 4	20	The Full Model: Linking Interest Rates, Output, and Inflation
	Midterm 2: chapters 17, 18, 19, 20, Appendix	
Mar 11	22	Monetary Policy
Mar 18	23	Government Spending, Taxes, and Fiscal Policy
	Makeup Midterm: all chapters from MT1 & MT2	
Mar 25	16	International Finance and the Exchange Rate
Apr 1		Extra class (review for final)
TBA	Final Exam: all chapters	