

Economics 102H1F: Fall 2023 Principles of Macroeconomics

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Course Description

This is an introductory course in basic macroeconomic principles. The 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 use graphs as tools to analyze problems, to help you to think for yourself, and to learn to apply the principles and techniques of economics to new problems and situations.

For each topic, you are expected to complete the readings, come to lectures and tutorials, participate in topic discussions, and complete homework and assessments by their due dates. You will have an opportunity to ask questions during office hours with the professor or in tutorials with the TAs.

Time Zones

Where relevant, all times posted in the syllabus and on Quercus will be in Toronto time.

Public Health

The syllabus is written under the assumption that public health allows the midterm test and the final to be in person. Any changes will be announced.

Required Materials

The required text for the course is *Principles of Macroeconomics*, by Kevin Milligan and Philip Oreopoulos, Betsey Stevenson, Justin Wolfers, 2023, 1st Canadian edition, Worth Publishers, Macmillan learning. The textbook ("Milligan et al."), both hardcopies and digital versions, can be obtained from the U of T Bookstore.

Handouts, readings and recordings posted on Quercus are part of the required materials for the course and are testable. I will inform you of these additional readings through announcements on Quercus.

For each chapter in Milligan et al., a list of end of the chapter problems will be posted on Quercus to work through. Model answers will not be provided but can be discussed in the TA office hours. Additional problems will be assigned that you can access through Quercus. These problems will be taken up in tutorial hours. There is no substitute for working through these problems in preparation for the tests.

Achieve and iClicker Achieve is an online platform that provides supplementary problems and is packaged with the e-book and some versions of the physical book as sold by the U of T Bookstore. These problems are easier than the ones you can expect on the tests but are useful in identifying concepts in need of additional review and practice. The iClicker package comes with Achieve (which comes with the e-book and some versions of the physical book). We will use iClicker in class.

Class Time

Almost all weeks have the same structure. Recorded lectures will be posted in advance for you to watch before class time. On Tuesday we will use the first hour for workshop, working through some problems based on the recorded material with small (graded) quizzes. The second hour will be used for midterms (see below) and office hours. Every Wednesday there is a tutorial with a TA.

Days and Times

- Tuesday 10.10-noon in KP108: first hour workshop followed by office hour or midterm.
- Wednesday noon-1pm: tutorial in OI2212

Office Hours

Prof. Vellekoop will use Tuesday 11-noon as office hour in KP108. In addition, there will be TA office hours. Details and links will be posted on Quercus. A schedule of hours and mode (in person or online) will be posted on Quercus. There will be more office hours available the week before the midterm.

Tutorials

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. There are no graded items during the tutorial hour and attendance is optional (but strongly recommended). Answers will not be posted.

Grades

Your final grade is based on workshop quizzes, four midterm tests, and a final exam. The breakdown is as follows:

Assessment	Percentage
Workshop quizzes (10)	10%
Midterm tests (4)	45%
Final Exam (1)	45%
Total	100%

Workshop Quizzes

There will be eleven workshops in total, and during ten you can get points for in-workshop quizzes (see schedule below). The first in-workshop quiz is in workshop 2. Each quiz gets equal weight, and I drop the lowest grade. Grading is a combination of correct answering and participation. We will use iClicker, which comes with Achieve.

Midterm Test and Final Exam

There will be four short 45-minute midterm tests. Each test weighs 15%. If you make all four, I will drop your lowest grade. Midterm tests take place during class time on Tuesday 11-noon. The final exam, which represents 45% of your grade, will be scheduled by A&S and is two hours in length. **The term tests and the final exam are in person.** Exact time and format will be announced on Quercus well before the test.

Remark 1: if you write tests with ATS, register with ATS as soon as possible for tests.

Remark 2: If you happen to have a conflict with the midterm, write the class email as soon as possible. Note however that since midterms take place during class time, there are very few academic conflicts that will be allowed.

Missed Quizzes or Tests

There are no makeup possibilities for the workshop quizzes. There is no make up for missing a midterm test (best three out of four policy). Under no circumstances will the weight of the term test be transferred to the final exam. If you miss the final exam, you need to petition A&S.

Accommodations for missed assessments beyond what is in the syllabus has only occurred in consultation with a student's college registrar's office.

Regrading Policy

Regrading requests must be submitted using the Regrade Request Form available on Quercus. The form will be available for one week, starting one week after the assessment has been returned to students. Requests will not be accepted before or

after this window. It is important that you explain clearly why your answer merits additional marks. Pointing to specific passages in either the textbook, lecture videos, or notes is highly recommended.

Class Schedule

Topic	Dates	Contents	Chapter	Workshop Second hour
1	September 12	GDP	9	Office hour
	September 19	No workshop, no quiz		No office hour
2*	September 26 First hour	CPI and Inflation Unemployment	12 11	Workshop + quiz
3*	September 26 Second hour	Long-run Growth	10	
4*	October 3	Investment Financial Markets	14 15.1-15.3	Midterm 1 Lectures 1-2
5*	October 10	Exchange Rates	16	Office hour
6*	October 17	Business Cycles Income and Expenditure	17 Appendix	Midterm 2 Lectures 4-5
7*	October 24	IS-MP	18	Office hour
8*	October 31	Phillips Curve and Inflation	19	Midterm 3 Lectures 6-7
	November 7	Reading Week		
9*	November 14	The Full Model	20	Office hour
10*	November 21	Monetary policy	22	Midterm 4 Lectures 8-9
11*	November 28	Fiscal Policy	23	Office hour
12	December 5	Review		Office hour
	TBA	Final Exam		

Notes:

- All workshops with a * have a quiz during the workshop.
- There is no workshop on September 19. Instead we will do two workshops on September 26, with a quiz in each hour.
- Topic 3 will not be covered by a midterm, but tested on the final exam.

Email Protocol

Please do not email the instructor or TAs directly but use eco102@utoronto.ca, which is managed by our administrative support team. This email address will be checked regularly during weekdays with emails forwarded to prof. Vellekoop as necessary. We will do our best to reply to our emails promptly. In general, please reserve emails for emergencies.

In addition, we will use **Piazza** as a discussion board, where students can post questions and fellow students can answer them.

Final Grades

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 online sections of ECO102 in order to assure fair and consistent treatment of all students.

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 your course instructor.

Where to Find Help

Recognized Study Groups (RSG) Small group collaboration has been shown to be an effective mode of studying. Recognized Study Groups are voluntary, peer-led study groups of 3-6 students enrolled in the same course. In addition to supporting students' study habits and academic success, RSGs also encourage student participants to be socially connected with their peers. Participants earn a Co-Curricular Record (CCR) credit. Visit the RSG website (<https://sidneysmithcommons.artsci.utoronto.ca/recognized-study-groups/>) to find out more and join.

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 (ATS) (accessibility.utoronto.ca) 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. ATS 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: ATS will not share details of your condition with any instructor, and your instructors will not reveal that you are registered with ATS. Please contact eco102@utoronto.ca if you are registered or as soon as you register with ATS.

Copyright Policy

This course may 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 your instructors, the University, and/or other sources depending on the specific facts of each situation and are protected by copyright. In this course, you are permitted to download session videos and materials for your own academic use, but you should not copy, share, or use them for any other purpose without the explicit permission of the instructor. For questions about the recording and use of videos in which you appear, please contact your instructor.

Generative AI (e.g., ChatGPT)

The use of generative artificial intelligence tools or apps for assignments in this course, including tools like ChatGPT and other AI writing or coding assistants, is prohibited, unless explicitly stated otherwise by the instructor in this course. The knowing use of an unauthorized generative artificial intelligence tools, including ChatGPT and other AI writing and coding assistants, for the completion of, or to support the completion of, an examination, term test, assignment, or any other form of academic assessment, will be considered an academic offense in this course.

Academic integrity

Academic integrity is one of the cornerstones of the University of Toronto. It is critically important both to maintain our community which honors the values of honesty, trust, respect, fairness and responsibility, and to protect you, the students within this community, and the value of the degree towards which you are all working so diligently. According to Section B of the University of Toronto's Code of Behavior on Academic Matters, which all students are expected to know and respect, it is an offence for students:

- To obtain unauthorized assistance on any assignment.
- To provide unauthorized assistance to another student. This includes showing another student completed work (e.g., an answer on a test).
- To falsify or alter any documentation required by the University. This includes, but is not limited to, doctor's notes.
- To use or possess an unauthorized aid in any test or exam (e.g., a cell phone).
- To continue writing when the time is up in any test or exam.
- To submit a medical note to get out of a test when the student is not actually sick.

More details are provided in the link below:

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

There are other offenses covered under the Code, but these are by far the most common. Please respect these rules and the values that they protect. For useful tips for avoiding academic misconduct, please visit the website of the Office of Student Academic Integrity at: <https://www.artsci.utoronto.ca/current/academic-advising-and-support/student-academic-integrity>.