



UNIVERSITY OF
CALGARY

Department of Economics

Faculty of Arts

Economics 203 (L03) (Principles of Macroeconomics)

Instructor: Moshe Lander L03: TuTh 12:30 – 13:45 (ENC 70)
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Office Hours: TuTh 9:00 – 10:30 (SS 338) Fall 2023

Course Description:

ECON 203 addresses the measurement and determinants of economic variables related to the performance of an economy (eg, national income, inflation, unemployment and growth) and how institutions and government policy influence these variables. There is a particular focus on understanding economic fluctuations in the short run and economic growth in the long run. The objective is to understand how the macroeconomy works, when it does and does not work well, and the role of government in influencing how it works.

Course Learning Outcomes:

ECON 203 introduces key principles and models organised around six broad topic areas:

- Introduction and Measurement of Economic Activity:
 - An introduction to key macroeconomic variables such as national income, unemployment, inflation, interest rates, growth rates and exchange rates, as well as how they are measured and the difficulties associated with their measurement and interpretation.
- Real Economy in the Long Run:
 - The long-run determinants of national income, emphasising the determinants of economic growth in a market economy and the role of government policies and institutions on the rate of economic growth.
 - The concept and determinants of productivity and its importance for the standard of living.
 - The functioning of the labour market and the determinants of employment and unemployment.
- Money, Prices and Interest Rates in the Long Run:
 - Defining the roles of money and the characteristics that make something money.
 - Understanding the fractional reserve banking system and how central banks control the money supply.
 - The design of monetary policy and central bank independence.
 - The causes, costs and benefits of inflation.
 - The linkage between monetary policy and interest rates.
- Economic Fluctuations and Stabilisation in the Short Run.
 - Short-run macroeconomic modelling using aggregate demand and aggregate supply.
 - Business cycles and the inherent instability of market economies and the potential role for fiscal and monetary policy to stabilise the economy.
 - Linkages between the real and financial sides of the economy, including financial leveraging and asset bubbles and their liquidation.
 - The Philips curve, supply shocks, and expectations.
 - The effects and consequences of government debt and deficits.
- Open economy macroeconomics.
 - Foreign exchange rates and markets, balance of payments, and international capital flows.
 - The implications of a small open economy for interest rates, exchange rates, and the level of economic activity, as well as on the effect of government policy.
- Debates in Macroeconomic Policy.

Tentative Lecture Schedule, Assigned Readings and Key Dates:

Date	Topic	Lecture
September 5	Introduction	—
September 7	Ten Principles of Economics	Chapter 1
September 12	Thinking Like an Economist	Chapter 2
September 14	Interdependence and the Gains from Trade	Chapter 3
September 19	The Market Forces of Supply and Demand	Chapter 4
September 21	Measuring a Nation's Income	Chapter 5
September 26	Measuring the Cost of Living	Chapter 6
September 28	Production and Growth	Chapter 7
October 3	Saving, Investment and the Financial System	Chapter 8
October 5	Unemployment and Its Natural Rate	Chapter 9
October 10	ASSIGNMENT 1 DUE	Chapters 1 – 6
October 10	TBA	
October 12	MIDTERM 1 (in class)	Chapters 1 – 6
October 17	The Monetary System	Chapter 10
October 19	Money Growth and Inflation	Chapter 11
October 24	Open-Economy Macroeconomics: Basic Concepts	Chapter 12
October 26	A Macroeconomic Theory of the Small Open Economy	Chapter 13
October 31	Aggregate Demand and Aggregate Supply	Chapter 14
November 2	The Influence of Monetary Policy on Aggregate Demand	Chapter 15
November 7	The Influence of Fiscal Policy on Aggregate Demand	Chapter 16
November 9	ASSIGNMENT 2 DUE	Chapters 7 – 11
November 9	TBA	
November 14	CLASS CANCELLED	
November 16	CLASS CANCELLED	
November 21	MIDTERM 2 (In Class)	Chapters 7 – 11
November 23	The Short-Run Tradeoff Between Inflation and Unemployment	Chapter 17
November 28	Five Debates over Macroeconomic Policy	Chapter 18
November 30	TBA	—
December 5	ASSIGNMENT 3 DUE	Chapters 12 – 18
December 5	Review	Chapters 1 – 18
TBA	FINAL EXAM	Chapters 1 – 18

Prerequisites/Corequisites:

ECON 201

Required Textbook:

Mankiw, N.G., Kneebone, R.D., McKenzie, K.J., 2019. Principles of Macroeconomics, Ninth Canadian edition. Toronto: Thomson Nelson.

Required Access to Technology:

None.

Desire2Learn:

This course makes use of the Desire2Learn (D2L) platform. Students who are registered in the course can log on at <http://d2l.ucalgary.ca> through their student centre. Please note that D2L features a class email list that may be used to distribute course-related information. These emails go to your University of Calgary email addresses only.

Tutorials:

You are expected to attend the weekly tutorial section to which you have been assigned. During tutorials, the TA discusses pre-assigned questions and additional material relevant to the course that is not covered in lectures. All tutorials are in SS 113: Tu 11:00 – 11:50 (TUT 9), Tu 14:00 – 14:50 (TUT 10), Th 11:00 – 11:50 (TUT 11) and TH 14:00 – 14:50 (TUT 12).

Grade Determination:

ASSIGNMENTS (3 x 5% each)	15%
MIDTERMS (2 x 20% each)	40%
FINAL	45%
	100.0%

Examination Details:

- Tests and exams WILL involve multiple choice questions.
- Programmable calculators, cellphones, textbooks, course notes and other electronic devices are not allowed during the writing of midterm or final exams. You are reminded that simply being able to access your cellphone during an exam is academic misconduct.

Grading Policies:

- The official grading system is used. See www.ucalgary.ca/pubs/calendar/current/f-1-1.html.
- You must receive a passing grade on the final exam to pass the course. Students committing academic misconduct during the final exam will not receive a passing grade for the course.
- If your letter grade on the final exam exceeds your midterm(s) letter grade, the weight of the midterm(s) is (are) transferred to the final exam. You must have written the midterm(s) or provided supporting documentation for the absence(s).
- As per the Writing Across the Curriculum Statement in the Calendar, writing and grading thereof is a factor in the evaluation of student work. See www.ucalgary.ca/pubs/calendar/current/e-2.html.
- THERE WILL BE NO MAKEUP OR DEFERRED MIDTERMS under any circumstances, nor may the midterms be written early. Students unable to write the midterms because of documented illness, family emergency, religious observance or university-sanctioned event will have the weight shifted to the final exam; otherwise a grade of zero will be assigned.
- The final exam is comprehensive, scheduled by the Registrar, held in a classroom, and lasts 2 hours. If you cannot write your final exam on the date assigned by the Registrar's Office, you need to apply for a deferred exam. See www.ucalgary.ca/pubs/calendar/current/g-3-4.html. Under no circumstance will this be accommodated by the Department.
- Any student work which remains undistributed after the last day of classes will be available to students through the instructor's office during the instructor's office hours.

Reappraisal of Grades:

- For Reappraisal of Graded Term Work, see Calendar I.2: www.ucalgary.ca/pubs/calendar/current/i-2.html
- For Reappraisal of Final Grade, see Calendar I.3: www.ucalgary.ca/pubs/calendar/current/i-3.html

Academic Misconduct and Intellectual Honesty:

Academic Misconduct refers to student behaviour that compromises proper assessment of students' academic activities and includes cheating, fabrication, falsification, plagiarism, unauthorised assistance, failure to comply with an instructor's expectations regarding conduct required of students completing academic assessments in their courses, and failure to comply with exam regulations applied by the Registrar.

- For Statement of Intellectual Honesty, see Calendar K.3: www.ucalgary.ca/pubs/calendar/current/k-3.html
- For Plagiarism and Other Academic Misconduct, see <https://ucalgary.ca/student-services/student-success/learning/academic-integrity>.

Academic Accommodations:

Students seeking an accommodation based on disability or medical concerns should contact Student Accessibility Services. SAS will process the request and issue letters of accommodation to instructors. Students who require an accommodation in relation to their coursework based on a protected ground other than disability should communicate this need in writing to their instructor. The full policy on Student Accommodations is available at

www.ucalgary.ca/legalservices/sites/default/files/teams/1/Policies-Accommodation-for-Students-with-Disabilities-Procedure.pdf and www.ucalgary.ca/legal-services/sites/default/files/teams/1/Policies-Student-Accommodation-Policy.pdf.

Freedom of Information and Protection of Privacy (FOIP) Act:

Personal information is collected in accordance with FOIP. Assignments can only be returned to the student and are accessible only to authorised faculty and staff. For more information, see

www.ucalgary.ca/legal-services/sites/default/files/teams/1/faq-privacy-faculty-members.pdf and www.ucalgary.ca/legal-services/sites/default/files/teams/1/faq-privacy-students.pdf.

Internet and Electronic Communication Device Information:

The use of cellphones for any purpose in class is prohibited. Computers and tablets may be used for note taking only unless otherwise authorised by the instructor.

Copyright Legislation:

See the University of Calgary policy on Acceptable Use of Material Protected by Copyright at www.ucalgary.ca/legal-services/sites/default/files/teams/1/Policies-Acceptable-Use-of-Material-Protected-by-Copyright-Policy.pdf. Students who use material protected by copyright in violation of this policy may be disciplined under the Non-Academic Misconduct Policy.

Recording of Lectures:

Recording of lectures is prohibited, except for audio recordings authorised as an accommodation by SAS or an audio recording for individual private study and only with the written permission of the instructor. Any unauthorised electronic or mechanical recording of lectures, their transcription, copying or distribution, constitutes academic misconduct. See www.ucalgary.ca/pubs/calendar/current/e-6.html.

Instructor Intellectual Property:

Course materials created by instructors (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the instructor. These materials may NOT be reproduced, redistributed or copied without the explicit consent of the instructor. The posting of course materials to third party websites such as note-sharing sites without permission is prohibited. Sharing of extracts of these course materials with other students enrolled in the course at the same time may be allowed under fair dealing.

Important Dates:

See www.ucalgary.ca/pubs/calendar/current/academic-schedule.html.

Student Organisations:

Faculty of Arts Students' Association (FASA):

Economics Department Representative

Office: SS 803, Email: econrep@fasaucalgary.ca and Web: www.fasaucalgary.ca.

Society of Undergraduates in Economics (SUE): www.ucalgarysue.com.

SUE is a student run organisation whose main purpose is to assist undergraduate economics students to succeed both academically and socially at the University of Calgary. Services include access to the exam bank, career events such as Industry Night and information sessions, mentorship programmes, and social events for members. It invites you to join by contacting SUE at sue@ucalgarysue.com.

Faculty of Arts Program Advising and Student Information Resources:

- Have a question, but not sure where to start? The Arts Students' Centre is your information resource for everything in Arts! Drop in at SS 102, call them at 403-220-3580, or email them at artsads@ucalgary.ca. You can also visit the Faculty of Arts website at <http://arts.ucalgary.ca/undergraduate>, which has detailed information on common academic concerns, including program planning and advice.
- For registration (add/drop/swap), paying fees and assistance with your Student Centre, contact Enrolment Services at 403-210-ROCK [7625] or visit them in the MacKimmie Tower.

Student Support and Resources:

- See www.ucalgary.ca/registrar/registration/course-outlines for information on campus mental health resources, the Student Ombuds Office, Student Success Centre, Safewalk and Emergency Evacuation and Assembly.
- Online writing resources are available at <https://ucalgary.ca/student-services/student-success/writing-support>.

Notes:

- You are responsible for all assigned material (eg, supplementary material posted on D2L), regardless of whether the material is covered in class.
- Please note that the following types of emails will receive no response: emails not addressed to anyone in particular; emails where the recipient's name is not spelled correctly; anonymous emails; emails in which the sender has not identified which course and section he/she is taking; and, emails involving questions that are specifically addressed on this course outline.
- I have been told that my lecture style is fast-paced and intense but engaging and humorous. Although students often find that this style makes the concepts easier to understand, they are often disappointed when they fail to perform to the level to which they are accustomed on my exams. My exams tend to reward those that are sufficiently knowledgeable of the underlying concepts and have developed an intuitive approach to the material. **Memorisation is almost never rewarded.**
- To give you the best chance for success in my course, I strongly encourage you to come prepared and on time, avoid absences, participate regularly with a positive attitude, read and review the relevant chapters in detail before (and after) after class, do the exercises I recommend before the subsequent class, dress appropriately and identify problems and seek help as soon as they occur.

ML

2023-08-17