

Economics 203 (L01) Principles of Macroeconomics

Instructor: Muna Esheba
Phone: 403-220-2693
Email: mesheba@ucalgary.ca

Lecture Location: MFH 162
Lecture Days/Time: TR 14:00 - 15:15

Office: SS 346
Office Hours: TR 12:45 - 13:45

Winter 2024

Course Description:

Econ 203 addresses the measurement of economic variables related to the performance of an economy (e.g., national income, inflation, unemployment, and growth) the determinants of these variables, and how these variables are influenced by institutions and government policy. 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 works well, when it does not work well, and the role for governments in influencing how it works.

Course Learning Outcomes:

The curriculum for Econ 203 is organized around six broad topic areas. The key principles and models are introduced in the context of addressing these six broad topic areas. The six topic areas are:

- Introduction and Measurement of Economic Activity: Students are introduced to the key macroeconomic variables of interest, national income, unemployment, inflation, interest rates, growth rates, and exchange rates, as well as how these are measured, and the difficulties associated with their measurement and interpretation.
- Real Economy in the Long Run:
 - The determinants of national income in the long run, emphasizing 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 and Prices in the Long Run. The focus is on money, prices, and interest rates in the long run.
 - Defining the roles of money and the characteristics that make something money. Understanding the banking system, fractional reserve banking, and how central monetary authorities can control the money supply. 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 Stabilization: Short Run Macroeconomics. Macroeconomic modelling in the short run: aggregate demand and aggregate supply. Business cycles and the inherent instability of market economies and the potential role for fiscal and monetary policy to stabilize

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 macro. 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.

Course Outline:

The following table maps the corresponding chapters from the Hubbard book to the six topic areas.

(Note: Some topics may be added or removed depending on time constraints)

Topic	Hubbard Chapter(s)
Introduction and the Measurement of Economic Activity	1, 2, 4, and 5
The Real Economy in the Long Run	6 and 7
Money and Prices in the Long Run	10
Open Economy Macro	14
Economy in the Short Run	8, 9, 11, and 12
Debates in Macroeconomic Policy	Reading

Prerequisites/Corequisites:

ECON 201.

Required Textbook(s):

Hubbard, R.G., O'Brien, A.P., Serletis, A., Childs, J., 2023. *Macroeconomics*, Fourth Canadian Edition. Pearson Canada Inc, Toronto. **MyLab is not required.**

Recommended Textbook(s):

Additional recommended readings will be posted on D2L.

Required Access to Technology:

None.

Books on Reserve:

The list of reserve titles, if any, is posted at the course D2L site.

Desire2Learn:

This course will make 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 e-mail list that may be used to distribute course-related information. These e-mails go to your University of Calgary e-mail addresses only.

Tutorials:

Students are expected to attend the weekly tutorial section to which they have been assigned. During the tutorials, the TA will discuss pre-assigned questions and additional material relevant to the course that is not covered in lectures.

Grade Determination:

3 Assignments (Due Date: Feb 8, Mar 14, April 9) (Best 2 Counted) - 5% each	10%
2 Midterm Exams (Feb 15 and Mar 21) - 20% each	40%
Final Examination (TBA)	50%
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	100%

Examination Details:

Tests and exams WILL involve multiple choice questions.

Programmable calculators, cellphones, textbooks, course notes, and other electronic devices will not be allowed during the writing of the midterms and final examinations. Students are reminded that simply being able to access their cellphone during an exam is academic misconduct.

The two midterm exams will be held in-class during class time on **Thursday Feb 15** and **Mar 21**.

Grading Policies:

The official grading system will be used. See <http://www.ucalgary.ca/pubs/calendar/current/f-1-1.html>.

Students 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 a student's letter grade on the final exam exceeds their midterm(s) letter grade, the weight of the midterm(s) is (are) transferred to the final exam. The student 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 will be a factor in the evaluation of student work. See <https://www.ucalgary.ca/pubs/calendar/current/e-2.html>.

THERE WILL BE NO MAKEUP OR DEFERRED QUIZZES/TESTS/EXAMS under any circumstances, nor may the quizzes/tests/exams be written early. Students unable to write the quizzes/tests/exams because of documented illness, family emergency, religious observance, or university-sanctioned event will have the weight shifted to the final examination; otherwise a grade of zero will be assigned.

The final examination will be comprehensive, scheduled by the Registrar, held in a classroom, and last 2 hours. If a student cannot write their final exam on the date assigned by the Registrar's Office, they need to apply for a deferred exam <https://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

<http://www.ucalgary.ca/pubs/calendar/current/i-2.html>

For Reappraisal of Final Grade, see Calendar I.3

<http://www.ucalgary.ca/pubs/calendar/current/i-3.html>

Academic Misconduct and Intellectual Honesty:

Academic Misconduct refers to student behavior that compromises proper assessment of students' academic activities and includes: cheating; fabrication; falsification; plagiarism; unauthorized 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.

Statement of Intellectual Honesty, see Calendar K.3

<https://www.ucalgary.ca/pubs/calendar/current/k-3.html>

Plagiarism and Other Academic Misconduct

<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

<https://www.ucalgary.ca/legalservices/sites/default/files/teams/1/Policies-Accommodation-for-Students-with-Disabilities-Procedure.pdf> and <https://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 will be accessible only to authorized faculty and staff. For more information, see <https://www.ucalgary.ca/legal-services/sites/default/files/teams/1/faq-privacy-faculty-members.pdf> and <https://www.ucalgary.ca/legal-services/sites/default/files/teams/1/faq-privacy-students.pdf>

Internet and Electronic Communication Device Information:

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

Copyright Legislation:

See the University of Calgary policy on Acceptable Use of Material Protected by Copyright at <https://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 authorized as an accommodation by SAS or an audio recording for individual private study and only with the written permission of the instructor. Any unauthorized electronic or mechanical recording of lectures, their transcription, copying, or distribution, constitutes academic misconduct. See <https://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:

Please check: <http://www.ucalgary.ca/pubs/calendar/current/academic-schedule.html>.

Student Organizations:

Faculty of Arts Students' Association (F.A.S.A.):

Economics Department Representative

Office: SS 803, E-mail: econrep@fasaucalgary.ca and Web: www.fasaucalgary.ca.

Society of Undergraduates in Economics: <https://www.ucalgarysue.com/>.

Society of Undergraduates in Economics is a student run organization 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 programs, and social events for members. They invite 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 SS102, 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 <https://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:

1. Students are responsible for all assigned material, e.g., supplementary material posted on D2L, regardless of whether or not the material was covered in class.
2. Please note that the following types of emails will receive no response: Emails which do not list the relevant course; emails which are not signed with student's full name and UCID; and emails involving questions that are specifically addressed on the course outline, lecture slides, or posted on D2L. For a quicker response time, please copy your TA on emails.

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