



## Department of Economics Course Outline

		<b>Term:</b>	Fall 2011
<b>Course:</b>	Economics 303 Intermediate Economic Theory – Macroeconomics I	<b>Section:</b>	03
<b>Time:</b>	Tues and Thurs. 12:30 – 13:45	<b>Place:</b>	ST132 (subject to change)
<b>Instructor:</b>	Ron Kneebone		
<b>Office:</b>	Earth Science 926	<b>Telephone:</b>	403-220-4603
<b>Office Hours:</b>	Tues. 2:30 – 3:30	<b>E-mail:</b>	kneebone@ucalgary.ca

### **Textbook(s):**

Abel, A., B. Benanke, R. Kneebone, *Macroeconomics*, Fifth Canadian Edition, Pearson Publishing, 2009.

**Book(s) on Reserve:** None.

**Blackboard:** This course will make use of Blackboard. Students who are registered in the course can logon at <https://blackboard.ucalgary.ca/webapps/login/>. Note that Blackboard features a class email list that I will use to communicate with you. It is your responsibility to make sure that Blackboard uses the email of your choice. The default is your University of Calgary email address. I may from time to time post extra readings on the Blackboard site. If so, I will let you know.

**Course Outline:** This is an intermediate level course in macroeconomics. You will be presented with descriptions of the economy (what economists call “models”) that macroeconomists use to understand how the economy operates and how governments may, or may not, be able to influence macroeconomic outcomes. Our focus in Economics 303 is on the nature of the business cycle. In particular, we will try to gain an understanding of what causes temporary expansions and contractions of output and employment, temporary accelerations or slowing of inflation, rises and falls in exchange rates, etc.

### **1. Introduction** (Chapters 1 and 2)

Sources of agreement and disagreement

Key macroeconomic variables and how they are measured

The Keynesian Cross – why we build models and what we do with them

**2. Building Blocks of the Macroeconomic Model** (Chapters 3, 4, 7 and 14)

- The idea of an aggregate production function
- The market for labour
- Okun's Law
- Determinants of consumption spending, saving, and investment
- Money and financial markets

**3. The Model of the Business Cycle** (Chapters 8, 9 and 10)

- The empirical evidence
- The theory – a closed economy
- The theory – an open economy

**Tutorials:** When you registered for this course you were enrolled in a tutorial session. The tutorials are intended to provide students enrolled in Economics 303 with the opportunity to ask a teaching assistant (TA) questions about the course. I may from time to time provide problems for you to consider and to discuss with your classmates and your TA during these tutorial sessions. The problems will not be graded but they do offer you the opportunity to test your understanding of the material covered to that point in the course. You will also have the opportunity to discuss with the TA the material we have discussed in class and which you may not yet fully grasp.

**Grade Determination and Final Examination Details:**

First Assignment	(5%) -- Due Date: Thursday, October 6 <sup>th</sup> .
Second Assignment	(10%) -- Due Date: Thursday, October 27 <sup>th</sup> .
Midterm Test	(25%) -- Date: Thursday, November 3 <sup>rd</sup> .
Third Assignment	(10%) -- Due Date: Tuesday, December 6 <sup>th</sup> .
Final Exam ☹	(50%) -- Date: set by the Registrar's Office.

Assignments are due at the *beginning* of the lecture on the due date. Solutions to the assignments will be posted on the Blackboard site at that time. This means that late assignments cannot and will not be accepted.

The midterm test will be held in the classroom during regular lecture hours. The final exam will be two (2) hours in length, will be conducted in a larger classroom, and will be scheduled by the Registrar's Office. There will be no multiple choice questions on either tests or on the final exam. Use of a calculator during either tests or the final exam will not be allowed.

Assignments and test are intended to be challenging (they are *tests* of your understanding of the material). You are encouraged to consult with your classmates when working on the assignments. If *after* reading the assigned material and *after* consulting with your classmates you are still having trouble with an assignment, you are encouraged to show me your efforts and I will try to put you on the right track to solving the problem. The solutions you submit must, however, represent your own work. Taking credit for someone else's work is something for which I show zero tolerance.

As per University policy (see <http://www.ucalgary.ca/pubs/calendar/current/e-2.html>), the grade you receive on assignments, midterms and exams will, in part, reflect your ability to effectively communicate your answers. Being able to write and effectively communicate is a very important skill to develop. Employers demand it and so do I.

Tests and final exams are marked on a numerical (percentage) basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will generally apply:

A+	90+	B	74-76	C-	60-63
A	84-89	B-	70-73	D+	57-59
A-	80-83	C+	67-69	D	50-56
B+	77-79	C	64-66	F	0-49

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

### **Our Relationship:**

I assume that the reason you are attending my class is to acquire an understanding of macroeconomic theory and policy. It has been my experience that this task is made much easier and far more enjoyable for all involved (me included) if we can maintain a relaxed but respectful atmosphere in the classroom. For my part, maintaining such an atmosphere requires that I be respectful of your time, your questions, and your concerns. I will therefore strive to be on time for lectures and office hours, answer your questions as well as I am able, and listen to your concerns. For your part, maintaining a respectful atmosphere requires that you avoid being late for class, that you refrain from leaving before the lecture ends, and that you not talk when either I or one of your classmates is speaking.

Students' Union Vice-President, Academic

Ola Mohajer

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Students' Union Faculty Representative (Arts)

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Society of Undergraduates in Economics (S.U.E.)

E-mail: [sue@ucalgary.ca](mailto:sue@ucalgary.ca)

[www.ucalgary.ca/sue](http://www.ucalgary.ca/sue)

### **Notes:**

- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should discuss their work with the Instructor *within fifteen days* of the work being returned to the class.

- It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. You are also required to discuss your needs with your instructor no later than fourteen (14) days after the start of this course.
- If you find it necessary to miss the midterm test, you must notify me *in advance* and produce a physician's certificate or other documentation as soon as possible. A deferred midterm test will not be offered. The weight attached to the missed test will be moved to the final exam.
- A make-up or deferred final exam will not be given except in cases of extreme personal emergencies. If, for such a reason, a deferred final exam is allowed, it will not be given before the scheduled exam date.

Safewalk / Campus Security: 220-5333  
Emergency Assembly Point – ICT Food Court

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