



## Department of Economics Course Outline

		<b>Term:</b>	Winter 2008
<b>Course:</b>	Economics 559 [Topics in Economic Theory II]	<b>Section:</b>	01
<b>Time:</b>	TR 11:00 – 12:15	<b>Place:</b>	SA 119 (subject to change)
<b>Instructor:</b>	Dr. R. Kneebone	<b>Telephone:</b>	220-4603
<b>Office:</b>	SS 1204	<b>E-Mail:</b>	<a href="mailto:kneebone@ucalgary.ca">kneebone@ucalgary.ca</a>
<b>Office Hours:</b>	TR 14:00-15:00		

### Textbook:

Scarth, W.M., *Macroeconomics: An Introduction to Advanced Methods*, 3<sup>rd</sup> Edition, Thomson-Nelson, 2007.

While many of the required readings will be drawn from the assigned text, others will be drawn from books on reserve at the MacKimmie reserve room (these texts are listed below) and from other readings I will make available to you by posting them on the Blackboard site established for this course. A Required Reading List will be handed out at our first meeting.

A good source for brushing up on intermediate macroeconomics is Abel, Bernanke, Smith, and Kneebone, *Macroeconomics*, 4<sup>th</sup> Canadian Edition, 2005. That text is on reserve in the Reserve Room at MacKimmie Library.

### Book(s) on Reserve:

- Blanchard, O. and S. Fischer, *Lectures on Macroeconomics*, MIT Press, 1989.
- Jones, C.I., *Introduction to Economic Growth*, 2<sup>nd</sup> Edition, W.W. Norton & Co. 2002
- Mankiw, N.G., *Monetary Policy*, NBER, 1994.
- McCafferty, Stephen, *Macroeconomic Theory*. Harper and Row, 1990.
- McCallum, B. *Monetary Economics: Theory and Policy*, Macmillan Publishing 1989
- Minford, P. and D. Peel, *Advanced Macroeconomics: A Primer*, Edward Elgar, 2002.
- Laidler, D., *The Demand for Money*, Harper Collins, latest edition
- Romer, D. *Advanced Macroeconomics*, McGraw-Hill 2006.
- Turnovsky, S.J., *Methods of Macroeconomic Dynamics*. MIT Press, 1995.

**Course Outline:**

This is a course in macroeconomic theory. Its purpose is two-fold. First, for those intending to seek employment following their BA, it will provide a firm understanding of certain standard models of the economy. Second, for those who intend to go on to take a graduate degree in economics, the course will provide an introduction to some of the advanced methods you will be encountering in graduate school. Both sets of students will benefit from these two features of the course. Although those who find employment following their BA may not use the more advanced models and techniques in everyday work, it is nonetheless important that they be aware of these models and solution methods. Similarly, those who attend graduate school will be expected to start such programs with a firm understanding of certain standard models.

You will be expected to use the mathematical tools presented to you in Economics 387/389 and, though to a lesser extent, the econometric tools presented to you in Economics 315. This is not a math course: It is a course in economic theory that uses mathematical tools. I expect you to know how to use these tools without me teaching them to you.

**Grade Determination and Final Examination Details:**

First Assignment	(10%) -- Due Date:	Tuesday, February 12 <sup>th</sup>
First Midterm Test	(20%) -- Date:	Thursday, February 14 <sup>th</sup> (♥)
Second Assignment	(10%) -- Due Date:	Tuesday, April 1 <sup>st</sup> (seriously!)
Second Midterm Test	(20%) -- Date:	Thursday, April 3 <sup>rd</sup>
Final Exam ☹	(40%) -- Date:	Set by the Registrar's Office.

NOTE: To pass the course it is necessary to receive a passing grade on the final exam.

Assignments are due at the *beginning* of the lecture on the due date. As per University policy (see *Writing Across the Curriculum* on page 42 of the Calendar) the grade you receive on assignments will, in part, reflect your ability to effectively communicate your answers.

The midterm tests 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 tests 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.

Tests and final exams are graded on a numerical (percentage) basis and 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+	91-100	B	73-75	C-	60-62
A	85-90	B-	70-72	D+	56-59
A-	80-84	C+	66-69	D	50-55
B+	76-79	C	63-65	F	0-49

If, for some reason, the distribution of grades determined using the aforementioned conversion chart appears to be abnormal the instructor reserves the right to change the grade conversion chart if the instructor, *at the instructor's discretion*, feels it is necessary to more fairly represent student achievement.

### **Our Relationship:**

I assume that the reason you are attending my class is to endeavour 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.

Finally, it is useful to remember, as the following quotation reminds us, that I really cannot teach you anything without your help.

*The art of teaching is the art of assisting discovery.*

Mark Van Doren, poet, 1894-1972.

### **Notes:**

1. If you find it necessary to miss a midterm test, you must notify me *in advance* and produce a physician's certificate or other documentation as soon as possible. Deferred tests will not be offered. The weight attached to the missed test will be moved to the final exam.
2. 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.
3. Students seeking a reappraisal of a piece of graded term work should discuss it with me within *fifteen days* of the work being returned to the class.
4. It is the student's responsibility to request academic accommodations. If you are a student

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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.

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

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

Campus Security / Safewalk: 220-5333

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