



Economics 659(L01) (Macroeconomic Theory)

Instructor:	Trevor Tombe	Lecture Location:	SS 403
Phone:	403-220-8068	Lecture Days/Time:	TR 9:30-10:45
Email:	ttombe@ucalgary.ca		
Office:	SS 426		
Office Hours:	TR 8:30-9:30		WINTER 2018

Course Description: Introduction to the analysis of macroeconomics at an advanced level. Provides an overview of theories addressing the major questions of macroeconomic phenomena. Some coverage of applied topics, such as economic growth and government policy.

Course Objectives/Learning Outcomes: Students will gain expertise in core models of macroeconomics and learn to apply them to investigate important topics, including long-run growth, fiscal and monetary policy interventions, misallocation and productivity, and more.

Prerequisites/corequisites: Admission to the Master of Arts Economics Program.

Required Textbook(s): None.

Recommended Textbook(s): Daron Acemoglu (2009), *Introduction to Modern Economic Growth*. Princeton University Press. David Romer (2011), *Advanced Macroeconomics*, McGraw-Hill Education, 4th Edition.

Book(s) on Reserve: None.

Desire2Learn: This course will use the Desire2Learn (D2L) platform. Students registered in the course can log on at <http://d2l.ucalgary.ca>. Please note that D2L features a class e-mail list to distribute course-related information. These e-mails go to your University of Calgary e-mail addresses only.

Course Outline: We will cover the following topics (time permitting). The associated readings are indicated in italics under each topic. Readings from Acemoglu (2008) are suggested, as lecture notes will be comprehensive and sufficient, while readings from the Reading List are required and available online through the library.

- **Week 1:** The Financial Crisis and the Policy Response
 - a. Overview of the Crisis, its Macroeconomic Effects, and the Policy Response
 - b. Empirical Estimates of Fiscal Policy
 - *Ramey (2011a, 2011b)*
 - *Romer and Romer (2010)*
- **Weeks 2-3:** The Solow Model
 - a. Economic Growth and Development (Acemoglu, Chapter 1)
 - b. The Solow Growth Model: Theory (Acemoglu, Chapter 2)

- c. The Solow Growth Model: Data (Acemoglu, Chapter 3-4)
 - *Deaton and Heston (2010)*
 - *Johnson et al. (2013)*
 - *Feenstra et al. (2009)*
- **Weeks 4-6: Neoclassical Growth**
 - a. Infinite-Horizon Optimization and Dynamic Programming (Acemoglu, Chapter 6)
 - b. The Neoclassical Growth Model: Theory and Application (Acemoglu, Chapter 8)
- **Weeks 7-11: The Micro of Macro**
 - a. Firm-Level Idiosyncratic Shock and Distortions
 - *Gabaix (2011)*
 - *Jones (2011)*
 - b. Diversification and Economic Volatility
 - *Carvalho and Gabaix (2013)*
 - c. Misallocation and Productivity
 - *Hsieh and Klenow (2009)*
- **Weeks 12-13: Search Models of the Labour Market**

Grade Determination and Final Examination Details:

Problem Sets: 20% (4 x 5%)

Midterm Examination 2: 15%

Midterm Examination 1: 15%

Final Examination: 50%

The importance dates are as follows (subject to change):

- Problem Set 1: January 30
- Problem Set 2: February 13
- Midterm 1: February 15
- Problem Set 3: March 8
- Midterm 2: March 15
- Problem Set 4: April 5
- Final Exam: TBA

Tests and final exams are marked 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, these letter grade equivalences will apply:

A+	95 – 100	B	73 – 76	C-	60 – 62
A	85 – 94	B-	70 – 72	D+	56 – 59
A-	80 – 84	C+	67 – 69	D	50 – 55
B+	77 – 79	C	63 – 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.

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.

Any student work which remains undistributed after the last day of classes will be available to students through the instructor's office during his office hours.

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 www.ucalgary.ca/registrar/exams/deferred_final. Under no circumstance will this be accommodated by the Department.

There will be a final examination, at a date to be determined during the December examination period. The exam will last 2 hours. Tests and exams will not involve multiple choice questions.

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.

Reappraisal of Grades and Intellectual Honesty:

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>

Statement of Intellectual Dishonesty, see Calendar K.4

<http://www.ucalgary.ca/pubs/calendar/current/k-4.html>

Plagiarism and Other Academic Misconduct, , see Calendar K.5

<http://www.ucalgary.ca/pubs/calendar/current/k-5.html>

Academic Accommodations:

The student accommodation policy can be found at: ucalgary.ca/access/accommodations/policy.

Students needing an accommodation because of a disability or medical condition should communicate this need to Student Accessibility Services in accordance with the Procedure for Accommodations for Students with Disabilities ucalgary.ca/policies/files/policies/student-accommodation-policy.

Students needing an Accommodation based on a Protected Ground other than disability, should communicate this need, preferably in writing, to the course instructor.

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 partnerships with the Career Centre through hosting industry nights and information sessions, recognizing achievements in teaching, and organizing social events for members. They invite you to join by contacting SUE at societyofundergradsineconomics@gmail.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 Library Block.
- Online writing resources are available at <http://www.ucalgary.ca/ssc/resources/writing-support>.

Evacuation Assembly Point:

In case of an emergency evacuation during class, students must gather at the designated assembly point nearest to the classroom. The assembly point for this classroom is the Professional Faculties (PF) building. For a map, see <https://www.ucalgary.ca/emergencyplan/system/files/ss.pdf>

Safewalk:

The Safewalk program provides volunteers to walk students safely to their destination anywhere on campus. This service is free and available 24 hrs/day, 365 days a year. **Call 403-220-5333.**

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

Personal information is collected in accordance with FOIP. For more information, see <http://www.ucalgary.ca/legalservices/foip/foip-hia>.