Economics 659 (Macroeconomic Theory)

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Office: SS 436  
Office Hours: R 16:00-17:00 or by appointment  
Lecture Location: SS 403  
Lecture Days/Time: TR 14:00-15:15  
Winter 2020

Course Description: This is the MA level macroeconomics course, introducing modern macroeconomic analysis at the graduate level. Using the growth theory as a guiding principle, the course introduces the basic structure of dynamic general equilibrium analysis and dynamic optimization techniques. We then apply the theory for macroeconomic policy related topics, such as public finance, education, trade, and environment issues.

A key departure of macroeconomics study at the graduate level from that of undergraduate level is its use of mathematics. The course assumes solid understanding of multivariate calculus as well as some basic knowledge of real analysis, both at the level introduced during the math camp. Having said that, this course will be challenging for many of you not because it is mathematical but because it ask you to actively engage in thinking about economic issue through the lens macroeconomic models. I will encourage the students’ critical thinking rather than learning the materials and the models as indisputable truth set in stone. Throughout the course, I will challenge you to foster your intellectual maturity and curiosity. For this reason, even though the course is mostly based on the lectures, I would encourage student participation in the form of in-class questions and discussion.

Course Objectives/Learning Outcomes: As the above Course Description suggests, this course is primarily about the theory of economic growth. Therefore, the major course learning outcomes are the students becoming able to describe the basic structure of the growth model, identify the important modelling assumptions, and discuss the source(s) of long-run economic growth (Learning Outcome 1). Throughout this course, however, I expect the students to learn how to critically analyse, evaluate and discuss a published academic article on a real world economic issue (Learning Outcome 2).

Textbooks: The textbook that I use for this course is:

- Aghion, P. and P. Howitt. 2009. The Economics of Growth. MIT. (Required)

Books on Reserve: The following textbooks on macro and economic growth (both at the graduate and undergraduate levels) are useful references.


Other useful readings are suggested in class and posted on D2L along the way.
Important Dates:
- January 14 (Tue) First lecture
- February 13 (Thu) Midterm 1
- February 17-21 Midterm Break (No lecture)
- March 24 (Thu) Midterm 2
- April 14 (Tue) Last lecture

E-mail Policy: To avoid confusion that is often created by e-mail messages, please refrain from sending an e-mail asking about course contents, lecture materials, etc., and please come to my office hours for those kinds of questions (see below). You’ll be amazed how easy and satisfying it is this way!

TA: There will be weekly tutorials by the TA (schedule TBD), where students will have the opportunity to review questions from assignments and exams and to go over or ask other practice questions (brought by the students, not by the TA). Regular attendance is strongly encouraged. As my E-mail policy implies, TA will not respond to your email communication regarding the course materials. In addition, TA is not responsible for your question outside of the office hours and TA sessions. You are advised to refrain from asking the TA regarding the course materials outside of designated occasions.

Desire2Learn: This course will make use of the Desire2Learn (D2L) platform. Please note that D2L features a class e-mail list that may be used to distribute course-related information. D2L sends e-mail only to your University of Calgary address.

Grade Determination and Final Examination Details: Student performance will be evaluated through class participation (worth 5%), a collection of problem sets (worth 5%), two midterms (30% each), and a final exam (30%). The problem sets, midterms and the final are to assess your learning outcome 1, and mostly on problem solving skills. The in-class discussion and class participation are to assess your learning outcome 2.

Department of Economics Criteria for Letter Grades. Economics professors use the following criteria when assigning letter grades:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Grade Point Value</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A+</td>
<td>4.00</td>
<td>Outstanding</td>
</tr>
<tr>
<td>A</td>
<td>4.00</td>
<td>Excellent-superior performance, showing-comprehensive understanding of subject matter</td>
</tr>
<tr>
<td>A-</td>
<td>3.70</td>
<td>Very good performance</td>
</tr>
<tr>
<td>B+</td>
<td>3.30</td>
<td>Good performance</td>
</tr>
<tr>
<td>B</td>
<td>3.00</td>
<td>Satisfactory performance</td>
</tr>
<tr>
<td>B-</td>
<td>2.70</td>
<td>Minimum pass for students in the Faculty of Graduate Studies</td>
</tr>
<tr>
<td>C+</td>
<td>2.30</td>
<td>All grades below “B-” are indicative of failure at the graduate level and cannot be counted toward Faculty of Graduate Studies course requirements. Individual programs may require a higher passing grade.</td>
</tr>
</tbody>
</table>

- Students must receive a passing grade on the final exam to pass the course.
- Non-programmable calculators will not be allowed during the writing of tests or final examinations.
- There will be a department scheduled final examination, lasting 2 hours.
- Tests and exams will not involve multiple-choice questions.
Absence from a Test/Exam: THERE WILL BE NO MAKEUP OR DEFERRED QUIZZES under any circumstances, nor may the quizzes be written early. Students unable to write the quizzes 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. If a student cannot write their final exam on the date assigned by the Department, they need to arrange for a deferred exam with the department.

Reappraisal of Grades and Intellectual Honesty:
- For reappraisal of graded term work, see Calendar 0.1. http://www.ucalgary.ca/pubs/calendar/grad/current/gs-o.html
- For reappraisal of final grade, see Calendar 0.1. B http://www.ucalgary.ca/pubs/calendar/grad/current/gs-o.html
- Statement of Intellectual Dishonesty http://www.ucalgary.ca/pubs/calendar/grad/current/gs-r.html
- Plagiarism and Other Academic Misconduct http://www.ucalgary.ca/pubs/calendar/grad/current/gs-r.html

Academic Accommodation: 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. For additional information on support services and accommodations for students with disabilities, visit www.ucalgary.ca/access/.
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 http://www.ucalgary.ca/policies/files/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:

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:
Students who use material protected by copyright in violation of this policy may be disciplined under the Non-Academic Misconduct Policy.

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

Student Organizations:
- Faculty of Grad Studies website: http://grad.ucalgary.ca/home
- Graduate Students Association: http://gsa.ucalgary.ca/
- Professional Development for Grad Students Workshops and resources can be found at:
Student Support and Resources:

- See [https://www.ucalgary.ca/registrar/registration/course-outlines](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.
- 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.

Notes:
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.

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