

Intermediate Macroeconomic Theory and Policy II  
ECONOMICS EC2153B-001  
Department of Economics  
Western University

Summer 2021

**General Information:**

**Instructor:** Mauricio Torres Ferro  
**Office:** 4067 SSC  
**E-mail:** mtorresf@uwo.ca  
**Office hours:** Friday 9:30-11:30 (ET) by appointment.  
*Office hours will be held online using Zoom. Students can sign up for online appointments by email.*  
**Delivery mode:** Online asynchronous.  
**Course website:** <https://owl.uwo.ca/portal>  
**Undergraduate inquiries:** 519-661-3507 or SSC Room 4075 or [econugrd@uwo.ca](mailto:econugrd@uwo.ca)

**Registration:**

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

**Prerequisite/Antirequisite Note:**

The prerequisite for this course is **Economics 2152A/B**

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken any anti-requisite courses. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

**Course Description:**

This course is a continuation of macroeconomics 2152. In this course we will examine models of the business cycle, trade and international open economy issues, monetary and fiscal policy, employment and endogenous growth. The course applies a modern approach (with micro foundations) to study macroeconomic issues. This course has more of a focus on surveying different macro models, whereas its prerequisite emphasized the construction of a macro model.

## Course Learning Outcomes:

Upon successful completion of the course, students will be able to:

1. Understand the micro-founded approach to macroeconomics, develop their math skills, and build their analytical intuition and comprehension of the covered economic models.
2. Students will learn the key features of, and main differences across various macroeconomic models. Students will compare what features of the economy some models can capture and identify where other models fail. The topics covered include, for instance,
  - i) A monetary intertemporal model to study the business cycle;
  - ii) Models that explore the factors underlying inflation, and unemployment;
  - iii) Models of monetary policy to understand the role of central banks;
  - iv) Models of endogenous growth and cross-country income differences;
3. Critically evaluate and understand current events from a macroeconomic policy perspective.

## Textbook(s) and Course Materials:

Williamson, Stephen, Macroeconomics, 6th Canadian Edition, Pearson Addison Wesley.

There will also be a course website at [webct.uwo.ca](http://webct.uwo.ca). This site is a supplemental tool and should not be regarded as a substitute for lectures. I will post some but not all, the solutions to the problems we do in class. Problems that are assigned but are not taken up in class will have the answers posted. All class material is subject to examination regardless of whether it is referred to or not on the website.

*Required readings will be posted for a limited time and will be subject to examination.*

## Technical Requirements

- *Laptop or computer*
- *Stable internet connection*
- *Microphone*
- *Webcam*

For technical support, see the OWL help page or contact Western Technology Services Helpdesk (<https://wts.uwo.ca/about-wts/contact.html>). Google Chrome or Mozilla Firefox are the preferred browsers for OWL; update your browser frequently.

## Virtual Attendance

The course is taught entirely online. All lectures will appear on a weekly basis just as if we were in a classroom. You are expected to **“attend”** every lecture in its entirety by watching the recorded lectures. Questions on quizzes or tests may be based on topics covered in the lectures. Not all topics are covered in the textbook.

## Assessments and Grading:

### Dates

Test 1..... June 30  
Test 2..... July 14  
Final exam ..... TBA

### Weights:

Test 1..... 30%  
Test 2..... 30%  
Final exam ..... 40%

No makeup tests will be given. If student misses a test and has: 1) –reported their absence OR 2) has received accommodation from academic counselling, then the weight of the missed test will be reallocated to the final exam. This is the **only method** of accommodation for missed tests that will be offered in this course.

Students MUST keep abreast of course developments on an ongoing basis. This means checking the announcements section of the OWL site every day (24-hour period). All communication regarding changes of dates, course structure, course topics, a possible synchronous office hour or anything else will be posted on announcements.

PLEASE check your UWO email!! DO NOT link your UWO email to other email servers (e.g. gmail). If I need to contact you I will use your UWO mail.

Failure to keep up with course changes or date deadlines will not be considered for grade accommodations.

## Problem Sets

There are no problem sets that you must hand in for marks. However, I do problems in (virtual) class and assign problems from time to time. You are advised to do the problems and, more importantly, understand the meaning of the results and relevance of the problem solving process. Often, but not necessarily, exam questions are based on these examples.

## Course Outline

Review of the intertemporal model/ and with money\* ..... Chapters 11 and 12  
Market clearing models of the business cycle\*..... Chapter 13  
New Keynesian economics\* ..... Chapter 14  
International trade \* ..... Chapter 15  
Money in the Open economy\* ..... Chapter 16  
Monetary Policy \*..... Chapter 17 and 18  
Unemployment\* ..... Chapter 6  
Growth\*..... Chapters 7 and 8

Additional topics may be taken up, if time allows.

\* Some material is given in class that does not appear in the text. This material may appear on exams.

Please Note. The above is a tentative course outline. I may amend the order and/ or content of the material as the course progresses. Students are responsible for keeping abreast of course developments at all times. All changes are announced in class.

### **Professionalism, Privacy and Copyright:**

- Students are expected to follow the [Student Code of Conduct](#).
- All lectures and course materials, including slides, presentations, outlines, and similar materials, are protected by **copyright**. Students may take notes and make copies of course materials for their own educational purposes only.
- Students may not record lectures, reproduce (or allow others to reproduce), post or distribute lecture notes, assessments, or any other course materials publicly and/or for commercial purposes without written consent of the instructor.
- Recordings (audio or video) are not permitted without explicit, written permission of the instructor. Permitted recordings may not be distributed or shared.

### **Tips on How to Be Successful in this Class:**

Students in this class should understand the level of autonomy and self-discipline required to be successful.

- Make it a daily habit to log onto OWL to ensure you have seen everything posted to help you succeed in this class.
- Follow weekly checklists created on OWL or create your own to help you stay on track.
- Treat this course as you would a face-to-face course. Take notes as you go through the lesson material. Keeping handwritten notes or notes in a regular Word document will help you learn more effectively than just reading or watching.
- Connect with others. Try forming an online study group and meet on a weekly basis for study and peer support.
- Do not be afraid to ask questions. If you have questions or are struggling with a topic, check the online discussion boards or contact your instructor(s) and or teaching assistant(s).

## Please Note

### Department & University Policies for Summer 2021

The University expects all students to take responsibility for their own Academic Programs. Students should also check their registration to ensure they are enrolled in the correct courses.

1. **Guidelines, policies, and your academic rights and responsibilities** are posted online in the current Western Academic Calendar at: <http://westerncalendar.uwo.ca>. Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated policies and procedures.
2. Students must familiarize themselves with the “**Rules of Conduct for Examinations**” [http://www.uwo.ca/univsec/pdf/academic\\_policies/exam/administration.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/exam/administration.pdf).
3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat.” The Department of Economics treats cheating incidents very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other Economics courses or programs. The University may impose further penalties such as suspension or expulsion.
4. **Plagiarism:** Students must write their essays and assignments in their own words. When taking an idea/passage from another author, it must be acknowledged with quotation marks where appropriate and referenced with footnotes or citations. Plagiarism is an academic offence (see Scholastic Discipline for Undergraduate Students in the Western Calendar at [http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page\\_20](http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_20)).

Western University uses software to check for plagiarism and students may be required to electronically submit their work. Those found guilty will be penalized as noted in point 3.

5. It is a Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students must submit assignments to the instructor.
6. **Appeals:** University policies and procedures for appealing a mark can be found in the Student Academic Appeals section in the current Western Academic Calendar at: [http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page\\_14](http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14). **Please note the relevant deadlines.**

Department of Economics procedures for appealing a mark can be found here: [https://economics.uwo.ca/undergraduate/program\\_counselling/responsibilities\\_policies.html#appeals](https://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals). The Department will not consider an appeal unless an attempt has been made to settle the matter with the instructor first. Students who remain dissatisfied with the outcome may proceed to submit an appeal to [econugrd@uwo.ca](mailto:econugrd@uwo.ca). Please follow the instructions and use the appeal form shown in the above link.

7. **Systematic adjustments of a class grade distribution** (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.
8. Note the following **add and drop deadlines**:

Session	Deadline to Add a Course
Distance Studies	Friday May 7, 2021
Intersession	Tuesday May 11, 2021
Summer Evening (first term)	Friday May 7, 2021
Summer Evening (second term)	Friday June 28, 2021

Session	Deadline to Drop a Course
Distance Studies	Monday June 7, 2021
Intersession	Monday May 31, 2021
Summer Evening (first term)	Monday May 31, 2021
Summer Evening (second term)	Monday July 12, 2021

### **Policy Regarding Makeup Tests and Final Examinations**

Faculty of Social Science policy states that oversleeping or misreading an exam schedule is NOT grounds for a makeup. This rule applies to midterm and final exams in the Department of Economics.

### **Policies Regarding Academic Accommodation**

- The Faculty of Social Science's policies on academic accommodation are found at [http://counselling.ssc.uwo.ca/procedures/having\\_problems/index.html](http://counselling.ssc.uwo.ca/procedures/having_problems/index.html).
- **Accommodation for Students with Disabilities:** Students with disabilities or accessibility challenges should work with Accessible Education (formerly SSD, see [http://academicsupport.uwo.ca/accessible\\_education/index.html](http://academicsupport.uwo.ca/accessible_education/index.html)), which provides recommendations for accommodation based on medical documentation or psychological and cognitive testing. The accommodation policy can be found here: [Academic Accommodation for Students with Disabilities](#).
- **Rewriting Exams and Retroactive Reweighting are NOT Permitted:** Students who proceed to write a test or examination must be prepared to accept the mark. Rewriting tests or examinations, or retroactive reweighting of marks, is **not** permitted. Self-Reported Absences cannot be used once a student has proceeded to start to write a test or exam.
- **Self-Reported Absences:** Students will have one opportunity during the summer term to receive academic consideration if they self-report a missed assessment using the online self-reported absence portal, provided the following conditions are met: the assessment is missed due to an absence of no more than 48 hours in duration, and the assessment for which consideration is being sought is worth 30% or less of the student's final grade. Students are expected to contact their instructors within 24 hours of the end of the period

of the self-reported absence, unless noted otherwise on the syllabus. Students are not able to use the self-reporting option in the following circumstances:

- for exams scheduled by the Office of the Registrar (e.g., final exams)
- absence of a duration greater than 48 hours
- assessments worth more than 30% of the student's final grade
- if the student has opened or started the test or exam
- if a student has already used the self-reporting portal once during the summer term

If the conditions for a Self-Reported Absence are *not* met, students will need to provide a Student Medical Certificate (SMC) if the absence is medical or provide appropriate documentation if there are compassionate grounds for the absence in question. Students are encouraged to contact their Faculty academic counselling office for more information about the relevant documentation. It is strongly recommended that students notify the instructor as soon as possible, ideally before the assessment, when they become aware of an absence. University policy is that students must communicate with their instructors no later than 24 hours after the end of the period covered by the SMC or immediately upon their return from their documented absence. Failure to follow University policy and procedures may result in denial of academic accommodation and a grade of zero.

- **Documentation for Accommodation:** Individual instructors are not permitted to receive documentation directly from a student, whether in support of an application for consideration on medical grounds or for other reasons. **All required documentation for absences that are not covered by the Self-Reported Absence Policy must be submitted to the Academic Counselling office of a student's Home Faculty.**
- **Western University policy on Consideration for Student Absence** is available here: [Policy on Academic Consideration for Student Absences - Undergraduate Students in First Entry Programs.](#)
- **Student Medical Certificate (SMC):** This form is available here: [http://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/medicalform.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf).
- **Religious Accommodation:** Students should consult the University's list of recognized religious holidays and should give reasonable notice in writing, prior to the holiday, to the Instructor and an Academic Counsellor if their course requirements will be affected by a religious observance. Additional information is given in the [Western Multicultural Calendar](#).

**Policy Regarding Class Attendance and Engagement:** If the instructor deems a student's attendance or engagement in the class to be unsatisfactory, that student may be prohibited from writing the final examination. Examples of unsatisfactory class engagement include frequent absences from an in-person or synchronous online class, lack of assignment submissions, and inadequate use of online course materials. Instructors who intend to make use of this policy will notify the student in advance.

**Statement on Mental Health and Support Services:** Students under emotional/mental distress should visit [http://uwo.ca/health/mental\\_wellbeing/](http://uwo.ca/health/mental_wellbeing/) for more information and a complete list of resources on how to obtain help.