

ECON 4020 – T02

Fall 2018

Modern Macroeconomic Theory

(Preliminary)

Lectures: T-R 1:00 pm – 2:15 pm @ Human Ecology 340
Instructor: Carlos Yopez
Office: 644 Fletcher Argue Bldg.
Office Phone: 204-272-1517
Hours: Thursdays 9:30 am – 10:30 am or by appointment.
Contact: Carlos.Yopez@umanitoba.ca
I usually respond to e-mails within 48 working hours.

Course description

The University of Manitoba *Undergraduate Calendar* describes this course as follows:

“An intensive review of selected topics in advanced macroeconomic theory.”

In terms of describing our course, it is more accurately described as:

This course serves as an advanced introduction to modern macroeconomic theory. In this course we use the representative agent paradigm to understand macroeconomic outcomes and the effect of macroeconomic policies. Topics covered include: Inter-temporal Consumption framework, optimal monetary policy, optimal fiscal policy, monopolistic competition, nominal rigidities and the New Keynesian framework, and search and unemployment.

Prerequisite: a grade of "B" or better in ECON 3020 or ECON 2481 or the former ECON 2480 or the former ECON 3800.

Course goals

Upon completion of this course students in this course are expected to develop skills using mathematical tools to analyze models that explain macroeconomic phenomena. Specifically, students are expected to:

1. Analyze macroeconomic phenomena using the representative agent (consumer, firm) paradigm of modern macroeconomics.
2. Analyze the impact of market imperfections and/or frictions on aggregate economic outcomes.
3. Examine the role of the optimal policy (fiscal and monetary) in macroeconomic stabilization.

This course is useful to those intending to pursue research and/or further studies economics.

Course materials

Required

Bookstore

The following required materials are available for purchase from the [University of Manitoba Bookstore](#) or online elsewhere. Please order your materials immediately, if you have not already done so.

- Textbook
Chugh, Sanjay. Modern Macroeconomics, MIT Press, 1st edition. 2015.

Recommended

There is a Solutions Manual (SM) associated with the textbook that can be purchased separately.

Course overview

Overview

This course is an advanced introduction to macroeconomic theory. In this course we study models that provide explanations to aggregate economic phenomena and also serve as a framework for policy analysis.

This course provides the required foundation for the study of other advanced macroeconomics courses.

Outline*

1. Dynamic consumption – savings framework
2. Firms
3. Policy analysis in intertemporal framework
4. Infinite-period framework and introduction to Asset Pricing
5. Optimal Policy Analysis (flexible prices)
 - a. Monetary policy
 - b. Fiscal policy
6. New Keynesian framework
 - a. Monopolistic competition
 - b. Sticky prices
 - c. Optimal monetary policy
7. Search and Unemployment (instructor notes)
8. Current topics in modern macroeconomics

***Note:** Due to time limitations some topics may be omitted.

Course Website

The course website contains the syllabus, supplementary material, updates, announcements, etc. Students are expected to visit the course webpage (*UM Learn*) on a regular (weekly) basis throughout the semester.

Learning activities

The course provides you with the opportunity to develop analytical, problem solving, and critical thinking skills using macroeconomic models. You will develop these skills through studying assigned textbook and supplementary materials, and writing problem sets (not graded), midterm exams and a quiz/test.

It is crucial to attend the classroom lectures and to organize and commit yourself to a regular study schedule during the semester. *Good time management and hard work usually pay off in the end.*

Evaluation and grading

Distribution of marks

Evaluation	Percentage	Due dates (<i>tentative</i>)
Midterm 1	30%	October 11
Midterm 2	30%	November 1
Individual student presentations	20%	Nov. 29 & Dec. 4
Quiz/Test	20%	December 6

Each midterm and/or test will be marked within 2 weeks.

Grading scale

Letter grade	Percentage range	Description
A+	95 – 100	Exceptional
A	86 – 94	Excellent
B+	80 – 85	Very good
B	72 – 79	Good
C+	65 – 71	Satisfactory
C	60 – 64	Adequate
D	50 – 59	Marginal
F	less than 50	Failure

Notes:

- The *voluntary withdrawal* deadline date is **November 19, 2017**.
- All final grades are subject to departmental review.

Individual student presentations

This graded component has two deliverables: 1) A type-written summary report (*1000-word*), and 2) a twenty-minute in-class presentation. Each student must choose an article (on a first-come first-served basis) from a list (provided by the instructor in due time) no later than by **Nov. 1st**. Articles are based on *current topics in modern macroeconomics*. Students are expected to work individually.

- **Notes:**
 - Article choices must be chosen and notified to the instructor by **Nov. 1st**.
 - Individual presentations will take place in-class between **Nov 29th** and **Dec. 4th**.
 - After each presentation, the other participating students must submit to the instructor an individual, and confidential, peer-review grade (the overall peer-grade makes up 20% of the total *presentation* grade).

Other important considerations

- The tests and quiz are not cumulative; each test and quiz covers only the material taught after the previous test.
- Class lectures are very important. *I do not post lecture notes.* If you miss a class it is your responsibility to obtain detailed and reliable notes from someone else.
- Problem sets will be assigned throughout the term. You are not required to submit the answers to the problem sets as these do not count toward your grade. However it is very important that you do your best to solve the problem sets and class exercises on your own as you may face similar (but not the same) problems in the tests and quiz.
- There is no final examination for this course.

Course Policies

I expect you to be attentive in class and participate in discussion. Please behave in a way that does not disturb others during class. Please be considerate and respectful of the needs and rights of others in the class. You are expected to come to class on time, but if you are late please enter the class silently in order not to disturb the instructor or other students.

The use of laptop computers, tablets, and any other technology in the classroom is restricted for education purposes approved by the instructor and/or U of M Disability Services. Notice that taking pictures or recording lectures and discussions in a classroom setting is **not** permitted at any time. Please *turn off your cellphone or switch it to silent mode when you are in class*.

Please refer to the University's [Respectful Work and Learning Environment Policy](#).

Email Policy

I will be happy to answer questions on the course material by email. However, due to the large number of students in this class and past experience with email from students (such as numerous emails the night before an assignment is due or an exam is scheduled), *I usually respond to e-mails within 48 working hours*.

Note: As per university policy, you are required to have and use your @myumanitoba.ca email account to communicate with the instructor. Emails from other personal email accounts may not be responded to.

Examination Policy

Students will not be permitted to write make-up exams except for **documented** medical or compassionate reasons. In such cases, anyone who must miss an exam should notify me immediately and prior to the test. If the student fails to provide such documentation, he or she will get a score of zero for the missed exam. **Note:** If a student misses the first midterm (only) due to a legitimate and documented reason, instead of writing a make-up exam, the weight of the missed exam will be re-distributed (i.e., added) to the second midterm.

Re-grading Policy

Any exam for which there is an appeal or re-grade request must be done within ten (10) days after students receive their mark. The request for re-grade must be in writing and attached to the exam when submitting the exam for a re-grade. The request must include a description of what the problem is and why the student believes the exam should be graded differently. In such cases, the whole exam may be

re-graded, not just the question for which there is a claim. This means that the student's exam grade may go up or down.

Plagiarism, cheating, and examination impersonation

There is zero tolerance for plagiarism and cheating, which can lead to serious academic consequences. You should acquaint yourself with the University's policy on plagiarism, cheating, and examination impersonation as detailed in the General Academic Regulations and Policy section of the University of Manitoba *Undergraduate Calendar*. Note: These policies are also located in your *Distance and Online Education Student Handbook* or you may refer to Student Affairs at <http://www.umanitoba.ca/student>.

Students Accessibility Services

Student Accessibility Services

If you are a student with a disability, please contact SAS for academic accommodation supports and services such as note-taking, interpreting, assistive technology and exam accommodations. Students who have, or think they may have, a disability (e.g. mental illness, learning, medical, hearing, injury-related, visual) are invited to contact SAS to arrange a confidential consultation.

Student Accessibility Services <http://umanitoba.ca/student/saa/accessibility/> 520 University Centre
204 474 7423

[Student_accessibility@umanitoba.ca](mailto:student_accessibility@umanitoba.ca)

Additional Information

Section A: Academic supports available to Students

Writing and Learning Support

The Academic Learning Centre (ALC) offers services that may be helpful to you throughout your academic program. Through the ALC, you can meet with a learning specialist to discuss concerns such as time management, learning strategies, and test-taking strategies. The ALC also offers peer supported study groups called Supplemental Instruction (SI) for certain courses that students have typically found difficult. In these study groups, students have opportunities to ask questions, compare notes, discuss content, solve practice problems, and develop new study strategies in a group-learning format.

You can also meet one-to-one with a writing tutor who can give you feedback at any stage of the writing process, whether you are just beginning to work on a written assignment or already have a draft. If you are interested in meeting with a writing tutor, reserve your appointment two to three days in advance of the time you would like to meet. Also, plan to meet with a writing tutor a few days before your paper is due so that you have time to work with the tutor's feedback.

These Academic Learning Centre services are free for U of M students. For more information, please visit the Academic Learning Centre website at: <http://umanitoba.ca/student/academiclearning/>

You can also contact the Academic Learning Centre by calling 204-480-1481 or by visiting 201 Tier Building.

University of Manitoba Libraries (UML)

As the primary contact for all research needs, your liaison librarian can play a vital role when completing academic papers and assignments. Liaisons can answer questions about managing citations, or locating appropriate resources, and will address any other concerns you may have, regarding the research process. Liaisons can be contacted by email or phone, and are also available to meet with you in-person. A complete list of liaison librarians can be found by subject: <http://bit.ly/WcEbA1> or name: <http://bit.ly/1tJ0bB4>. In addition, general library assistance is provided in person at 19 University Libraries, located on both the Fort Garry and Bannatyne campuses, as well as in many Winnipeg hospitals. For a listing of all libraries, please consult the following: <http://bit.ly/1sXe6RA>. When working remotely, students can also receive help online, via the Ask-a-Librarian chat found on the Libraries' homepage: <http://www.umanitoba.ca/libraries>.

Section B: Health and mental health

For 24/7 mental health support, contact the Mobile Crisis Service at 204-940-1781.

Student Counselling Centre

Contact SCC if you are concerned about any aspect of your mental health, including anxiety, stress, or depression, or for help with relationships or other life concerns. SCC offers crisis services as well as individual, couple, and group counselling.

Student Counselling Centre: <http://umanitoba.ca/student/counselling/index.html>

474 University Centre or S207 Medical Services
(204) 474-8592

Student Support Case Management

Contact the Student Support Case Management team if you are concerned about yourself or another student and don't know where to turn. SSCM helps connect students with on and off campus resources, provides safety planning, and offers other supports, including consultation, educational workshops, and referral to the STATIS threat assessment team.

Student Support Intake Assistant <http://umanitoba.ca/student/case-manager/index.html>

520 University Centre
(204) 474-7423

University Health Service

Contact UHS for any medical concerns, including mental health problems. UHS offers a full range of medical services to students, including psychiatric consultation.

University Health Service <http://umanitoba.ca/student/health/>

104 University Centre, Fort Garry Campus
(204) 474-8411 (Business hours or after hours/urgent calls)

Health and Wellness

Contact our Health and Wellness Educator if you are interested in information on a broad range of health topics, including physical and mental health concerns, alcohol and substance use harms, and sexual assault.

Health and Wellness Educator <http://umanitoba.ca/student/health-wellness/welcome.html>

Katie.Kutryk@umanitoba.ca

469 University Centre
(204) 295-9032

Live Well @ U of M

For comprehensive information about the full range of health and wellness resources available on campus, visit the Live Well @ UofM site:

<http://umanitoba.ca/student/livewell/index.html>

Section C: Copyright

All students are required to respect copyright as per Canada's *Copyright Act*. Staff and students play a key role in the University's copyright compliance as we balance user rights for educational purposes with the rights of content creators from around the world. The Copyright Office provides copyright resources and support for all members of the University of Manitoba community.

Visit <http://umanitoba.ca/copyright> for more information.

Section D: University and Unit policies, procedures, and supplemental information

Your rights and responsibilities

As a student of the University of Manitoba you have rights and responsibilities. It is important for you to know what you can expect from the University as a student and to understand what the University expects from you. Become familiar with the policies and procedures of the University and the regulations that are specific to your faculty, college or school.

The [Academic Calendar](http://umanitoba.ca/student/records/academiccalendar.html) <http://umanitoba.ca/student/records/academiccalendar.html> is one important source of information. View the sections *University Policies and Procedures* and *General Academic Regulations*.

While all of the information contained in these two sections is important, the following information is highlighted.

- If you have questions about your grades, talk to your instructor. There is a process for term work and final **grade appeals**. Note that you have the right to access your final examination scripts. See the Registrar's Office website for more information including appeal deadline dates and the appeal form <http://umanitoba.ca/registrar/>
- You are expected to view the General Academic Regulation section within the Academic Calendar and specifically read the **Academic Integrity** regulation. Consult the course syllabus or ask your instructor for additional information about demonstrating academic integrity in your academic work. Visit the Academic Integrity Site for tools and support <http://umanitoba.ca/academicintegrity/> View the **Student Academic Misconduct** procedure for more information.
- The University is committed to a respectful work and learning environment. You have the right to be treated with respect and you are expected conduct yourself in an appropriate respectful manner. Policies governing behavior include the:
Respectful Work and Learning Environment
http://umanitoba.ca/admin/governance/governing_documents/community/230.html
Student Discipline
http://umanitoba.ca/admin/governance/governing_documents/students/student_discipline.html and,
Violent or Threatening Behaviour
http://umanitoba.ca/admin/governance/governing_documents/community/669.html
- If you experience **Sexual Assault** or know a member of the University community who has, it is important to know there is a policy that provides information about the supports available to those who disclose and outlines a process for reporting. The **Sexual Assault** policy may be found at: http://umanitoba.ca/admin/governance/governing_documents/community/230.html More information and resources can be found by reviewing the Sexual Assault site <http://umanitoba.ca/student/sexual-assault/>
 - For information about rights and responsibilities regarding **Intellectual Property** view the policy http://umanitoba.ca/admin/governance/media/Intellectual_Property_Policy_-_2013_10_01.pdf
 - For information on regulations that are specific to your academic program, read the section in the Academic Calendar and on the respective faculty/college/school web site <http://umanitoba.ca/faculties/>
 - Contact an **Academic Advisor** within our faculty/college or school for questions about your academic program and regulations <http://umanitoba.ca/academic-advisors/>

Student Advocacy

Contact Student Advocacy if you want to know more about your rights and responsibilities as a student, have questions about policies and procedures, and/or want support in dealing with academic or discipline concerns.

<http://umanitoba.ca/student/advocacy/>

520 University Centre

204 474 7423

student_advocacy@umanitoba.ca