

**Advanced Macroeconomics I
ECONOMICS EC3320A-001
Department of Economics
Western University**

September 2024

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Office hours: Monday 3-4pm and Wednesday 10-11am
Meeting time(s): Monday 11:30-1:30pm and Wednesday 12:30-1:30pm
Classroom: FNB 1200
Recording policy: Course participants are not allowed to record during office hours or class.
Course website: <https://westernu.brightspace.com/>
Undergraduate inquiries: 519-661-3507 or SSC Room 4075 or econugrd@uwo.ca

Registration:

You are responsible for ensuring you are registered for the correct courses. If you are not registered for 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 prerequisites for this course are Economics 2221A/B and Economics 2261A/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:

In this course, we will develop the standard neoclassical growth model and then use it as a tool for economic analysis. We will compare the implications of this model to data. We will discuss the successes and limitations of this model in explaining cross-country income differences. We will extend the model to incorporate business cycle fluctuations to see how well the model can account for short-run movements of the economy.

Course Learning Outcomes:

1. Students will be able to set up the firm's and the household's problem within the standard neoclassical growth model, derive and interpret the corresponding equilibrium conditions.
2. Students will define and characterize a competitive equilibrium and link the resulting allocation with that of the benevolent social planner using the welfare theorems.
3. Students will understand what it means to calibrate the neoclassical growth model.
4. Students will be able to perform comparative statics exercises on the balanced growth path allocation in the neoclassical growth model and understand the transitional dynamics of the economy in the model, as it converges to a balanced growth path.
5. Students will be able to use the neoclassical growth model for growth accounting and will be able to evaluate the model based on balanced growth path predictions.
6. Students will be able to extend the neoclassical growth model to analyze short-run movements of the economy.

Textbook and Course Materials:

There is no required textbook for this course. Some notes or other course material may be posted on OWL Brightspace. You are responsible for all content covered during in-person lectures and any material posted on OWL Brightspace.

Assessments and Grading:

Your final grade is based on homework assignments (25%), a midterm (35%) and a final (40%).

Homework: There will be 3 homework assignments. Homework assignments are *due in-person, at the start of class* on September 25, October 9 and November 25. Late homework assignments will not be accepted. There are no make-up homework assignments. The homework assignments have *flexible grading*, meaning that the lowest assignment score is dropped from the calculation of your grade. This means that two (highest) homework assignments will each have a weight of 12.5%, and total 25% of your final grade. Given flexible grading, self-attestation is not accepted as consideration for missing to turn in homework. If you miss turning in any assignment (without approved accommodation) the grade is zero. If more than one homework assignment is missed with approved accommodation from Academic Counselling office, the weight of those assignments is split equally between the midterm exam and the final exam.

Midterm: The midterm is a 1.5-hour exam held during the usual class time on **Monday, October 28**. There will be no make-up midterm exam. You will be notified what material to focus on for midterm preparation.

Self-attestation cannot be used for consideration if students miss the midterm. If a student misses the midterm due to illness or other acceptable excuse the student must present official documentation justifying the absence to the Academic Counselling (AC) office. Email your

professor within 48 hours of the midterm time to notify that you are in the process of obtaining accommodation from the Academic Counselling office. For more details regarding academic accommodation, please see Western University's policies on pages 5 and 6 of this course outline.

If the academic counsellor *does not approve your absence from the midterm exam*, or if there is no justification for your absence, a grade of zero is assigned. If the academic counsellor *approves your absence from the midterm exam*, the weight of the midterm will be added to the final exam. In this case, you will also write a different final exam from the rest of the class, as it is necessary to test you on the entire course material.

Final: The final exam date is TBD by the Registrar's office. The final is a 1.5-hour exam for any student who took the midterm. This 1.5-hour final exam will be cumulative with an emphasis on more recent material. Students who received academic accommodation through the AC office and shifted the weight of the midterm to the final, will write a comprehensive 3-hour final exam. This 3-hour final exam will test all the material taught in this course.

Please note that in accordance with university policy, self-attestation cannot be used for final exams. If a student misses the final, they need to document and have their absence approved by the Academic Counselling office. Otherwise, a grade of zero is assigned to the final exam.

Tentative Outline of Topics

Introduction to the class and macroeconomics data

One-period workhorse macroeconomics model: households, firms, equilibrium.

Two-period and multi-period extensions of the model.

Social Planner's Problem and Welfare Theorems.

Neoclassical Growth model: long-run analysis, applications.

Real Business Cycle model: short-run analysis, applications.

Professionalism, Privacy, and Copyright:

- You 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**. You may take notes and make copies of course materials for your own educational purposes only.
- You may not 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.
- Recordings (audio or video) are not permitted without explicit, written permission. Permitted recordings may not be distributed or shared.

PLEASE NOTE
DEPARTMENT & UNIVERSITY POLICIES FOR FALL 2024

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. A [*new academic consideration and flexibility in assessment*](#) policy is in effect starting September 2024. Students can miss one assessment per course per term without medical documentation. Faculty can designate one assessment per course for which students **cannot** self-attest.
3. Students must familiarize themselves with the “**Rules of Conduct for Examinations**” http://www.uwo.ca/univsec/pdf/academic_policies/exam/administration.pdf.
4. **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.
5. **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).

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 4.

6. It is a Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students must submit assignments to the instructor.
7. **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. **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. 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. Please follow the instructions and use the appeal form shown in the above link.

8. **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.
9. **ADD AND DROP DEADLINES:**

- Deadline to **ADD** first term full or half course: **Fri, Sept 13, 2024**
- Deadline to **DROP/WITHDRAW** first term full or half course: **Mon, Dec 2, 2024**

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

- Academic accommodation will not be granted automatically on request. Students must demonstrate by documentation that there are compelling medical or compassionate grounds before academic accommodation will be considered. The Faculty of Social Science's policies on academic accommodation are found at https://counselling.ssc.uwo.ca/procedures/academic_consideration.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), 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. Students must also book travel arrangements AFTER final exam dates have been posted as they must not conflict with test or final exams.
- Unless medically incapable of doing so, students must notify their instructor prior to the test date or at least within **48 hours** when requesting a makeup exam. Failure to follow this procedure may result in denial of academic accommodation and a grade of zero. Students should also set up an appointment as soon as possible to meet with their instructor. If the instructor is not available, send an email message to the instructor, copying the Undergraduate Coordinator at econugrd@uwo.ca. **Notifying instructors of a missed exam does not automatically entitle students to a makeup.**

- For medical illnesses, students may consult Student Health Services and request a Student Medical Certificate from the physician. If assessed by an off-campus doctor, students must obtain a certificate from his/her office at the time of the visit/assessment. Student Medical Certificate (SMC) is available here:
https://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf
- **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.
- **Western University policy on Consideration for Student Absence** is available here:
https://counselling.ssc.uwo.ca/procedures/probation_rtw/appeals.html
- **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/ for more information and a complete list of resources on how to obtain help.

Statement on Remote Proctoring: While Western intends to hold most classes, mid-terms and finals in-person, the London-Middlesex Health unit may require western to teach in a remote format. If this occurs, all assessments will be done remotely and may involve the use of remote proctoring software (i.e., Proctorio, ProctorTrack). Instructors will provide information on the details should the need arise.