

INTERMEDIATE MACROECONOMIC THEORY AND POLICY I  
ECONOMICS 2152A-001  
Department of Economics  
Western University

Summer 2021

**General Information:**

**Instructor:** Rubina Siddika  
**Office:** SSC 4012  
**E-mail:** rsiddika@uwo.ca  
**Office hours:** Wednesday 12:30 p.m. to 2:30 p.m. Eastern Time (ET) on Zoom by appointment.  
**Delivery mode:** online asynchronous class  
**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 Note:**

The prerequisites for this course are Economics 1021A/B and Economics 1022A/B, or Economics 2001A/B, and one of MCV4U, Mathematics 0110A/B, Calculus 1000A/B, Calculus 1500A/B, Mathematics 1225A/B

The antirequisite for this course is Economics 2220A/B

*(The prerequisites and antirequisites for your course can be found in the Western Calendar at: <http://westerncalendar.uwo.ca/Courses.cfm?Subject=ECONOMIC&SelectedCalendar=Live&ArchiveID>)*

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 Objectives:**

This is the first macroeconomics course at the intermediate level. The course uses a modern approach to macroeconomics by building macroeconomics models from microeconomic principles. The goal of the course is to develop formal tools to perform macroeconomic analysis. Topics include measuring macroeconomic variables, short-run fluctuations in economic activities, competitive equilibrium, and long-run economic growth. Some policy issues will also be discussed.

## **Course Learning Outcomes:**

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

- Define macroeconomics and discuss the behaviour of aggregate economic activity over time.
- Define and calculate GDP using three methods of national income accounting.
- Understand the limitations of using GDP as the sole indicator of welfare.
- Define and calculate various labour market and price level measurements and understand the limitations of these measurements.
- Identify the various phases of the business cycle and explain how key macroeconomic variables behave in these phases.
- Develop macroeconomic models with micro-foundations.
- Discuss simple macroeconomic policy issues using the models introduced in the course.
- Define and explain the income and substitution effects on consumer's choices.
- Determine how wages and return to capital are determined in a competitive equilibrium.
- Differentiate between the different sources of economic growth.

## **Textbook(s) and Course Materials:**

**eText:** Williamson, Stephen D., *Macroeconomics, Sixth Canadian Edition*, Pearson

MyLab is required for all assessments. Log into OWL for detailed registration steps. Please use your @uwo.ca email address for MyLab registration. Users using email addresses other than @uwo.ca will be removed. If an account is removed, all activities and assessments associated with that account will also be removed permanently and will not be considered for grading.

## Communication:

- All the course material will be posted on OWL weekly.
- PowerPoint slides and recorded video lectures will be posted by Tuesday of each week.
- Video lectures will focus on more difficult concepts.
- Students should use the OWL “messages” tool to email the instructor.
- Emails will be monitored daily; students will receive a response in 24 – 48 hours.

## 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.

## Assessments and Grading:

Your course grade will be based on 5 quizzes (best 4 out of 5 quizzes count towards final course grade), one midterm exam, and one final exam. All assessments are administered via MyLab. The exact coverage of material will be confirmed ahead of each assessment. Assessments are mixed format, covering multiple choice questions and short answer questions. All exam dates are tentative and subject to change. The final exam will be cumulative.

	Weight	Location	Length	Tentative Date
Quizzes	20%	Online	5-10 minutes	TBA
Midterm Exam	35%	Online	90 minutes	May 19, 2021 (Wednesday)
Final Exam	45%	Online	120 minutes	June 12, 2021 (Saturday)

- Quizzes and exam must be written on the assigned time and dates.
- There will be no make-ups for the quizzes or exams.
- The first missed quiz with an approved absence is dropped.
- The second missed quiz with an approved absence is transferred to the final. This means that the weight of the final exam becomes 50% of the course grade.

- The third, fourth or fifth missed quizzes with an approved absence are recorded as zero.
- Missed midterm exam with an approved absence will be transferred to the final. This means that the weight of the final exam becomes 80% of the course grade.
- Students who miss two or more assessments during the term is likely to result in an inability to meet the course learning outcomes and may not be permitted to pass the course. Please contact the instructor for additional steps.
- During exams students are forbidden to communicate with any person other than the instructor.
- Students are forbidden from using any books, notes, study guides, diagrams, communication equipment such as a cell phone, computer programs or software, online resources or websites, or other aids unless authorized by the instructor; such authorization must be stated explicitly during the examination.

If you miss any assessment, request academic consideration either through a Self-Reported Absence (SRA) or an absence approved by the Academic Counselling office. For more details, please see Western University's procedure on academic consideration for student absence (see page 7 of this course outline).

### **Topics Covered:**

#### **Part I (Introduction and Measurement Issues)**

- Chapter 1 – Introduction
- Chapter 2 – Measurement
- Chapter 3 – Business Cycle Measurement

#### **Part II (Basic Macroeconomic Models)**

- Chapter 4 – Consumer and Firm Behaviour: The Work-Leisure Decision and Profit Maximization
- Chapter 5 – A Closed-Economy One-Period Macroeconomic Model

#### **Part III (Savings, Investments, and Government Deficits)**

- Chapter 9 – A Two-Period Model: The Consumption-Saving Decision and Credit Markets
- Chapter 10 – Credit Market Imperfections: Credit Frictions, Financial Crises, and Social Security
- Chapter 11 – A Real Intertemporal Model with Investment

#### **Part IV (Economic Growth)**

- Chapter 7 – Economic Growth: Solow (Swan) Growth Model

## **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.
- Students are expected to follow online etiquette expectations provided on OWL (*if applicable; otherwise delete this bullet point*)
- Students will be expected to take an academic integrity pledge before some assessments (*if applicable; otherwise delete this bullet point*)
- Some sessions may be recorded by the instructor. Recorded sessions will remain within the course site or be unlisted if streamed (*if applicable; otherwise delete this bullet point*)

## **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.
- Create your own checklist 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, contact your instructor.

**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:**

<b>Session</b>	<b>Deadline to Add a Course</b>
Distance Studies	Friday May 7, 2021
Intersession	Tuesday May 11, 2021

Session	Deadline to Add a Course
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://academicssupport.uwo.ca/accessible\\_education/index.html](http://academicssupport.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.