

Faculty of Liberal Arts & Professional Studies
Intermediate Macroeconomic Theory II
AP/ECON 2450U
Winter 2022

Course instructor:

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Organization of the course

The course material will be delivered to students remotely via synchronous online lessons conducted via Zoom. In terms of evaluations, there will be two tests (each worth 25% of your final grade) and a final exam (worth 50% of your final grade). It is expected that the two tests will be completed online via eClass, while the final exam will be completed in-person (subject to change).

Course webpage: eClass

Virtual office hours: Date and time to be announced, via Zoom@YorkU.

Expanded course description: Applies the analytical tools from AP/ECON 2400 to analyse the problems of inflation, unemployment, and government budgets, focusing on the role of expectations. Introduces open economy issues under fixed and flexible exchange rates. The course involves formal lectures by the professor. The required textbook readings are central to the course. The lectures will serve to enrich, clarify, and illustrate crucial issues from the assigned readings and will include real-world examples.

Course objectives and learning outcomes: The first half of the course focuses on i) building the Aggregate Demand-Aggregate Supply and IS-LM models and ii) applying them in the context of both closed and small, open economies. The second half of the course examines these models in relation to government activity and introduces a number of smaller-scale models related to consumption and investment.

Students who successfully complete the course will be able to:

- examine the macroeconomy using the AD-AS model
- understand how economic conditions differ between closed and open economies
- predict the appropriate stabilization policy for a given economic situation (e.g., demand-driven recession vs. stagflation)
- differentiate between various explanations of Keynes' consumption puzzle
- understand how different types of investment are influenced by the economic environment
- analyse the monetary system from an economic perspective

Course readings

Our textbook is Macroeconomics (Canadian Edition - 6th Edition) by Gregory Mankiw and William Scarth.

All chapters listed below refer to the textbook. The intended study plan is to cover Chapters 10 to 14 and 16 to 19. This study plan may be adjusted by the instructor. You are responsible for materials in the text that correspond to the material covered in class. The text should be viewed as a learning aide, not as an independent source of examinable material.

- Chapter 10: Introduction to Economic Fluctuations
- Chapter 11: Aggregate Demand I: Building the IS–LM Model
- Chapter 12: Aggregate Demand II: Applying the IS–LM Model
- Chapter 13: The Open Economy Revisited: The Mundell–Fleming Model and the Exchange-Rate Regime
- Chapter 14: Aggregate Supply and the Short-Run Trade-off Between Inflation and Unemployment
- Chapter 16: Alternative Perspectives on Stabilization Policy
- Chapter 17: Government Debt and Budget Deficits
- Chapter 18: The Financial System: Opportunities and Dangers
- Chapter 19: The Microfoundations of Consumption and Investment

Evaluations

<i>Evaluation</i>	<i>Evaluation date</i>	<i>Value (% of final grade)</i>
Test 1	February 3 rd (tentative)	25%
Test 2	March 3 rd (tentative)	25%
Final Exam	Winter Exam Period (April 12 to 29)	50%

Course policies

Missed Tests

There will be no make-up tests. Should you miss a test without prior approval of the instructor or a valid documented reason, you will receive a grade of zero on the test. With prior approval or a valid documented reason (and a completed Attending Physician's Statement), the weight of that test will transfer to your final exam.

Grading

The grading scheme for the course conforms to the 9-point grading system used in undergraduate programs at York (e.g., A+ = 9, A = 8, B+ = 7, C+ = 5, etc.). Tests will bear either a letter grade designation or a corresponding number grade (e.g. A+ = 90 to 100, A = 80 to 90, B+ = 75 to 79, etc.)

Academic Honesty and Integrity

In this course, we strive to maintain academic integrity to the highest extent possible. Please familiarize yourself with the meaning of academic integrity by completing SPARK's Academic Integrity module at the beginning of the course. Breaches of academic integrity range from cheating to plagiarism (i.e., the improper crediting of another's work, the representation of another's ideas as your own, etc.). All instances of academic dishonesty in this course will be reported to the appropriate university authorities, and can be punishable according to the Senate Policy on Academic Honesty.

Technical requirements for taking the course:

Several platforms will be used in this course (e.g., eClass/Moodle, Zoom, etc.) through which students will interact with the course materials, the course director/TA, as well as with one another.

Students shall note the following:

- Zoom is hosted on servers in the U.S. This includes recordings done through Zoom.
- If you have privacy concerns about your data, provide only your first name or a nickname when you join a session.
- The system is configured in a way that all participants are automatically notified when a session is being recorded. In other words, a session cannot be recorded without you knowing about it.

Please review the technology requirements and FAQs for eClass.

Here are some useful links for student computing information, resources and help:

[Student Guide to eClass](#)

[Zoom@YorkU Best Practices](#)

[Zoom@YorkU User Reference Guide](#)

[Computing for Students Website](#)

[Student Guide to eLearning at York University](#)

Course information

Access/Disability

York University is committed to principles of respect, inclusion and equality of all persons with disabilities across campus. The University provides services for students with disabilities (including physical, medical, learning and psychiatric disabilities) needing accommodation related to teaching and evaluation methods/materials. These services are made available to students in all Faculties and programs at York University.

Students in need of these services are asked to register with disability services as early as possible to ensure that appropriate academic accommodation can be provided with advance notice. You are encouraged to schedule a time early in the

term to meet with each professor to discuss your accommodation needs. Please note that registering with disabilities services and discussing your needs with your professors is necessary to avoid any impediment to receiving the necessary academic accommodations to meet your needs.

Additional information is available at the following websites:

Counselling & Disability Services - <https://counselling.students.yorku.ca/>

Counselling & Disability Services at Glendon -

<https://www.glendon.yorku.ca/counselling/>

York Accessibility Hub - <http://accessibilityhub.info.yorku.ca/>

Ethics Review Process

York students are subject to the York University *Policy for the Ethics Review Process for Research Involving Human Participants*. In particular, students proposing to undertake research involving human participants (e.g., interviewing the director of a company or government agency, having students complete a questionnaire, etc.) are required to submit an *Application for Ethical Approval of Research Involving Human Participants* at least one month before you plan to begin the research. If you are in doubt as to whether this requirement applies to you, contact your Course Director immediately.

Religious Observance Accommodation

York University is committed to respecting the religious beliefs and practices of all members of the community, and making accommodations for observances of special significance to adherents. Should any of the dates specified in this syllabus for an in-class test or examination pose such a conflict for you, contact the Course Director within the first three weeks of class. Similarly, should an assignment to be completed in a lab, practicum placement, workshop, etc., scheduled later in the term pose such a conflict, contact the Course director immediately. Please note that to arrange an alternative date or time for an examination scheduled in the formal examination periods (December and April/May), students must complete an Examination Accommodation Form, which can be obtained from Student Client Services, Student Services Centre or online at

http://www.registrar.yorku.ca/pdf/exam_accommodation.pdf (PDF)

Student Conduct in Academic Situations

Students and instructors are expected to maintain a professional relationship characterized by courtesy and mutual respect. Moreover, it is the responsibility of the instructor to maintain an appropriate academic atmosphere in the classroom and other academic settings, and the responsibility of the student to cooperate in that endeavour. Further, the instructor is the best person to decide, in the first instance, whether such an atmosphere is present in the class. The policy and procedures governing disruptive and/or harassing behaviour by students in academic situations is available at - <http://secretariat-policies.info.yorku.ca/policies/disruptive-and-or-harassing-behaviour-in-academic-situations-senate-policy/>