

Intermediate Macroeconomics  
Winter 2025 (01)  
0.5 Credits

### General Course Information

**Instructor:** Xiaowen Lei  
*Email* leix@uoguelph.ca  
*Office Location* Remote (Teams)  
*Office Hours* M 12:00 PM-2:00 PM (1/13/2024 – 4/21/2025)  
*Department/School* Department of Economics and Finance

**Class Schedule:** M/W 2:30 PM-3:50 PM (1/6/2024 – 4/21/2025)

**Pre-requisites:** ECON\*1100, (1 of IPS\*1500, MATH\*1030, MATH\*1080, MATH\*1200) - Must be completed prior to taking this course.

### Teaching assistant:

### Course Description

This is the 2nd year macroeconomics course, aimed at bridging the gap between 1st year introductory macroeconomics (with the focus on introducing concepts) and the 3rd year macroeconomics (with more rigorous modelling focus). The course starts with how the macroeconomy acts in the short run, medium run and the long run. You will then learn how expectations influence quantities and prices in the macroeconomy. Finally, the course ends with discussions on the effect of (optimal) fiscal and monetary policies on the macroeconomy.

### Course Learning Outcomes

Upon successfully completing this course, you will: be able to comprehend economics related news articles, and comment on basic economic debates using the analytical methods.

### Knowledge and Understanding:

- 1) Mathematical Methodology: Students are expected to solve systems of linear equations.
- 2) Statistical and Econometric Methodology: Students have to be familiar with data analysis, sampling, probability, hypothesis testing, confidence intervals, regression analysis, robustness.
- 3) Microeconomic modelling: Students are expected to apply the supply and demand framework to various markets.
- 4) Macroeconomic Modeling: As an intermediate course, ECON\*2410 introduces students to macroeconomic modeling. Students are expected to remember and recognize various concepts and models.

5) Understanding of Specific Markets: Several markets are analyzed such as goods market, the money market, the bond market, the foreign exchange market, the labor market. Students are expected to understand and remember their specificities and commonalities.

6) Historical and Global context: Students will be required to research the values of current macroeconomic indicators and variables. Short essay questions will ask students to construct an argument about a macroeconomic issue from an historical perspective and to formulate a solution for a current macroeconomic problem.

7) Economic Policy and Regulation: Governments have significant macroeconomic influences. Students must understand and explain the effects of monetary, fiscal, and exchange rate policy.

### **Discipline/Professional and Transferable Skills:**

8) Written Communication: Each midterm will have short answer essay questions which will be graded with the usual essay writing criteria except for the requirement of a bibliography.

9) Numerical Problem Solving: Students will have to calculate various macroeconomic indicators, multipliers, solve various economic models namely the IS-LM model, the IS-LM-PC model, etc. Students will also have to make quantitative predictions. These numerical skills will be assessed with quantitative problems in the MyEconLab homework assignments, and the midterms.

10) Analytical Problem Solving: Most of the course relies on graphical analysis to demonstrate and interpret the various economic models. This will be tested on the MyEconLab homework assignments, the midterms and final.

11) Problem Solving in a Real World Context: Students will have to apply the course materials to historical and current macroeconomic problems.

12) Computer skills. Basic Excel skills are expected.

13) Professional and ethical awareness and conduct: There will be no time extension to complete the MyEconLab homework assignments in order to master time management skills.

### **Summary of Course Content and Materials**

#### *Introduction*

#### *The Goods market (Chapter 3)*

Readings: Beyond GDP (Angus Deaton 2020)

#### *The financial market (Chapter 4)*

Readings: Information and Analysis for monetary policy: coming to a decision (Macklem, 2020)

When central banks issue digital money (The economist, 2020)

#### *The IS-LM model (Chapter 5)*

Readings: IS-LMentary (Krugman, 2011)

*The extended IS-LM model(Chapter 6)*

Readings: Why does the economy fall into pieces after a financial crisis? (Hall, 2010)  
Japan's experience of overcoming the ZLB (Kuroda, 2016)

*The labor market (Chapter 7)*

Readings: Why do Americans work so much more than Europeans? (Prescott, 2004)

*Phillips curve (Chapter 8)*

Readings: The role of monetary policy (Friedman, 1968)

*The IS-LM-PC model (Chapter 9)*

Reading: Oil and the economy (Bernanke, 2004)

*Fiscal policy (Chapter 21)*

Readings: The case of permanent stimulus (Krugman, 2020)

*Monetary policy (Chapter 22)*

Readings: Outside the box-Unconventional monetary policy in the Great recession and beyond (Kuttner, 2018)

The instructor will combine the materials in the Blanchard's textbook, as well as article readings to deliver the course.

## Course Assessment

			<b>Associated Learning Outcomes</b>	<b>Due Date/ location</b>
<b>Home work:</b>	30%	Weekly/Bi-weekly quizzes	Keep up with the lectures	<i>Bi-weekly</i>
<b>Midterm:</b>	30%	TBD	Economy in the short run and medium run	<i>Feb 24<sup>th</sup></i>
<b>Final exam:</b>	40%	TBD	Economy in the long run, expectation and macroeconomic policies	<i>TBD</i>
<b>Total</b>	<b>100%</b>			

## Teaching and Learning Practices

## Notes

**Lectures:** The course will be conducted face to face. The instructor will be wearing a mask during the lecture throughout the semester. For safety concerns, it is mandatory that you wear a mask to ask questions in person after the class. However, it is strongly encouraged that you could direct all your questions during virtual office hours, which happens twice a week shortly after the lecture.

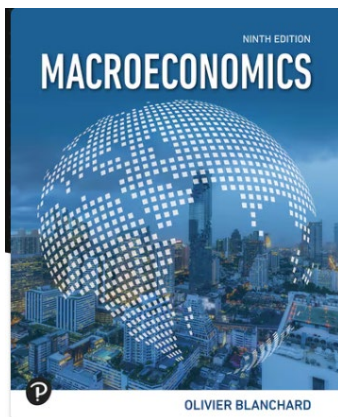
**Office Hours:** Office hours will be conducted virtually.

**Email policy:** Due to the size of the class, it is strongly encouraged that you ask questions during virtual office hours. Please only email questions if it is urgent, or cannot be addressed during office hours.

**Exams:** The Midterm date is Feb 27th in class, and the Final date is TBD. The format of both exams are multiple choices, quantitative questions (similar to homework exercises), as well as discussion questions regarding reading materials that the instructor posts on the Courselink. Please check the Midterm and Final exam schedule before you register the course. There will be no make-up or deferred exams in this course.

## Course Resources

### Required Texts:



Author: Olivier Blanchard

Title: Macroeconomics, 9<sup>th</sup> edition

Publisher: Pearson (July 17th 2024)

Cost: 99 CAD + Tax

### Online Resources:

The e-Text and the MyLab Instant Access can be purchased from the Pearson website.

<https://pearsonhighered.onthehub.com/WebStore/OfferingDetails.aspx?o=3cbead7a-7564-ef11-8168-000d3af41938&pmv=00000000-0000-0000-0000-000000000000>

Additional resources will be available at:  
<https://courselink.uoguelph.ca/shared/login/login.html>

## Course Policies

### Grading Policies

Students who find themselves unable to meet course requirements by the deadlines or the criteria expected because of medical or personal reasons, should review the regulations on academic consideration in the Academic Calendar and discuss their situation with the instructor, program counselor or other academic counselor as appropriate.

<http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-grds.shtml>

If you have religious observances which conflict with the course schedule or if you are registered with Student Accessibility Services, please contact the course instructor in order to make arrangements for your assessment if appropriate.

### Missed Assignments

A grade of zero will be assigned if you fail to submit an assignment, unless you are ill or have other compassionate reasons (in which case proofs need be provided and will be considered on a case-by-case basis). Please read your Undergraduate Calendar for the regulations regarding illness and compassionate grounds. Please note, vacation travel, moving house, or outside work commitments will not be accepted as valid reasons for missing deadlines.

### Missed Midterm

There is no make-up Midterm Examination. If a student misses the Midterm Examination (with appropriate documentation) its weight will be shifted to the final.

## University Policies

### Disclaimer

Please note that the ongoing COVID-19 pandemic may necessitate a revision of the format of course offerings, changes in classroom protocols, and academic schedules. Any such changes will be announced via CourseLink and/or class email.

This includes on-campus scheduling during the semester, mid-terms and final examination schedules. All University-wide decisions will be posted on the COVID-19 website (<https://news.uoguelph.ca/2019-novel-coronavirus-information/>) and circulated by email.

### Illness

Medical notes will not normally be required for singular instances of academic consideration, although students may be required to provide supporting documentation for multiple missed assessments or when involving a large part of a course (e.g.. final exam or major assignment).

For information on current safety protocols, follow these links:

<https://news.uoguelph.ca/return-to-campuses/how-u-of-g-is-preparing-for-your-safe-return/>

<https://news.uoguelph.ca/return-to-campuses/spaces/#ClassroomSpaces>

***Please note, these guidelines may be updated as required in response to evolving University, Public Health or government directives.***

### **Academic Consideration**

When you find yourself unable to meet an in-course requirement because of illness or compassionate reasons, please advise the course instructor in writing, with your name, id#, and e-mail contact. See the academic calendar for information on regulations and procedures for Academic Consideration:

<http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-ac.shtml>

### **Academic Misconduct**

The University of Guelph is committed to upholding the highest standards of academic integrity and it is the responsibility of all members of the University community, faculty, staff, and students to be aware of what constitutes academic misconduct and to do as much as possible to prevent academic offences from occurring.

University of Guelph students have the responsibility of abiding by the University's policy on academic misconduct regardless of their location of study; faculty, staff and students have the responsibility of supporting an environment that discourages misconduct. Students need to remain aware that instructors have access to and the right to use electronic and other means of detection. Please note: Whether or not a student intended to commit academic misconduct is not relevant for a finding of guilt. Hurried or careless submission of assignments does not excuse students from responsibility for verifying the academic integrity of their work before submitting it. Students who are in any doubt as to whether an action on their part could be construed as an academic offence should consult with a faculty member or faculty advisor.

The Academic Misconduct Policy is detailed in the Undergraduate Calendar:

<https://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-amisconduct.shtml>

### **Accessibility**

The University of Guelph is committed to creating a barrier-free environment. Providing services for students is a shared responsibility among students, faculty and administrators. This relationship is based on respect of individual rights, the dignity of the individual and the University community's shared commitment to an open and supportive learning environment. Students requiring service or accommodation, whether due to an identified, ongoing disability or a short-term disability should contact Student Accessibility Services as soon as possible.

For more information, contact SAS at 519-824-4120 ext. 56208 or email [sas@uoguelph.ca](mailto:sas@uoguelph.ca) or see the website: <https://wellness.uoguelph.ca/accessibility/>

### **Course Evaluation Information**

Please refer to the [Course and Instructor Evaluation Website](#)

## **Recording of Materials**

Presentations which are made in relation to course work—including lectures—cannot be recorded or copied without the permission of the presenter, whether the instructor, a classmate or guest lecturer. Material recorded with permission is restricted to use for that course unless further permission is granted.

## **Drop date**

The last date to drop one-semester courses, without academic penalty, is **Friday April 4, 2025**. For regulations and procedures for Dropping Courses, see the Academic Calendar: <https://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-drop.shtml>