



Course Details

Time:	Monday and Wednesday, 10:00-11:20
Location:	Physics 127
Prerequisites:	ECON 214 and a junior course in calculus
Course Description:	Extensions and applications of macroeconomic theories. Topics include theories of consumption and investment, asset pricing, fiscal and monetary policy, and search models of the labour market.
Website:	Some materials will be available on Canvas.

Expected Learning Outcomes

This course covers a number of important macroeconomics topics that are not treated in depth in ECON 214/ECON 274. Building on the foundations laid in intermediate macro and a course in calculus, we will introduce the tools needed to investigate a range of macro issues in a coherent modelling framework.

Upon successful completion, students will be able to set up and solve simple macroeconomic models, as well as apply them to new problems. They will understand how optimizing households and firms behave and respond to changes in their economic environment. They will know and understand several key concepts, paradigms and results, such as the permanent income hypothesis, the Modigliani-Miller Theorem, the Laffer curve, the excess burden of taxes, the Taylor rule, balanced growth, and the search and matching framework.

Instructor

Andreas Pollak	Phone: 966-5221
Arts 812	E-mail: a.pollak@usask.ca (preface subject with "ECON374")
Office Hours:	Tuesday 10:30-11:15, Wednesday 14:00-14:30 or by appointment

Course Outline and Readings

Most suggested readings come from the following textbooks:

G. Mankiw and W. Scarth, *Macroeconomics*, 4th Canadian Edition (New York: Worth, 2011). [referred to as **MS** below]

P.B. Sorensen and H.J. Whitta-Jacobsen, *Introducing advanced Macroeconomics*, 2nd Edition (London: McGraw-Hill, 2010). [referred to as **SW** below]

C.I. Jones, *Macroeconomics*, 3rd Edition (New York: W.W. Norton: 2014). [referred to as **J** below]

S.D. Williamson, *Macroeconomics*, 4th Canadian Edition (Pearson, 2013). [referred to as **W** below]

The journal articles listed below are available through the library.

1. Theories of Consumption
 - 1.1. Introduction
 - 1.2. The Life-Cycle Hypothesis and Overlapping Generations
MS, Chapter 17.2-17.3
J, Chapter 16.1-16.2
 - 1.3. The Permanent-Income and Random-Walk Hypotheses
MS, 17.4-17.5
J, Chapter 16.3-16.4
 - 1.4. Extensions and Summary
2. Investment and Asset Markets
 - 2.1. Introduction
 - 2.2. Investment and Tobin's q
SW, Chapter 14
 - 2.3. Asset Pricing
SW, Chapter 14
 - 2.4. Firm Financing and the Modigliani-Miller Theorem
3. Unemployment and Job Search
 - 3.1. Introduction
 - 3.2. Job Search
W, Chapter 6
Mortensen, Dale T. and Christopher A. Pissarides (1994): "Job Creation and Job Destruction in the Theory of Unemployment" *The Review of Economic Studies*, Vol. 61, No. 3, pp. 397-415.
4. Open Economy Macroeconomics
J, Chapters 19, 20

All articles and chapters listed above are recommended readings.

Note that the course outline and reading list are preliminary and may be updated during the term.

We will cover topics 1-3. Time permitting, we may also cover topic 4.

Evaluation

There will be four components to your grade:

Component	Date	Weight
Assignments	TBA	15%
First Midterm Exam	October 16	15%
Second Midterm Exam	November 15	20%
Final Exam	TBA	50%

The weights of the midterms will be shifted to the final if this results in a better overall grade.

- Assignments:** You will complete a number of assignments (approx. 4 to 6) during the term. If you receive help from any source (book, another person, website) you must cite it on your assignment. Failure to cite could be construed as academic dishonesty. You will have at least one week to complete each assignment. While you are encouraged to cooperate solving the assignments, I expect the answers that are handed in to reflect students' individual contributions. Late assignments will not be accepted. Some answer keys may be posted on Canvas, and the assignments will be discussed in class.
- Exams:** There will be two midterm exams (80 minutes each) and a final (180 minutes). Exams will be cumulative and test your understanding of the subject material and your ability to analyse and formulate solutions to specific problems. The assignments are intended to assist you in the preparation for the exams, but note that exam questions are typically different from assignment questions. The exams are closed book. Electronic devices will not be permitted during examinations, with the exception of approved non-programmable calculators without communication functions. There will be no deferred midterms.
- Missed Components:** If assignments or midterm exams cannot be completed for a justifiable reason, it may be possible to make alternative arrangements *prior to* the due date at the instructor's discretion. If no such arrangements are made and the component is missed, a grade of 0 will be assigned, unless the student provides written documentation of circumstances beyond his or her control that prevented him or her from completing the assignment on time. (This documentation typically takes the form of a doctor's note.)
- Attendance:** University policies apply. Regular attendance is highly recommended. There are no specific participation requirements.
- Participation:** There are no specific participation requirements.
- Grading and Credit:** This course uses a percentage grading scheme. To receive credit for this course, an overall passing grade is required.
- Grade Distribution:** See <http://usask.pollak.org/?teaching> for the historic grade distribution in this course.

Other Information

Recording of the Course

Students will be allowed to record lectures if they provide a reasonable rationale and if there are no objections by other students.

Midterm and Final Examination Scheduling Final examinations may be scheduled at any time during the examination period (see <https://students.usask.ca/academic-calendar/> for the specific dates this term); students should therefore avoid making prior travel, employment, or other commitments for this period. If a student is unable to write an exam through no fault of his or her own for medical or other valid reasons, documentation must be provided and an opportunity to write the missed exam may be given. Students are encouraged to review all examination policies and procedures: <http://students.usask.ca/academics/exams.php>

Copyright

Course materials are provided to you based on your registration in a class, and anything created by your professors and instructors is their intellectual property and cannot be shared without written permission. If materials are designated as open education resources (with a creative commons license) you can share and/or use in alignment with the CC license. This includes exams, PowerPoint/PDF slides and other course notes. Additionally, other copyright-protected materials created by textbook publishers and authors may be provided to you based on license terms and educational exceptions in the Canadian Copyright Act (see <http://laws-lois.justice.gc.ca/eng/acts/C-42/index.html>).

Before you copy or distribute others' copyright-protected materials, please ensure that your use of the materials is covered under the University's Fair Dealing Copyright Guidelines available at <https://library.usask.ca/copyright/general-information/fair-dealing-guidelines.php>. For example, posting others' copyright-protected materials on the open web is not covered under the University's Fair Dealing Copyright Guidelines, and doing so requires permission from the copyright holder. For more information about copyright, please visit <https://library.usask.ca/copyright/index.php> where there is information for students available at <https://library.usask.ca/copyright/students/rights.php>, or contact the University's Copyright Coordinator at copyright.coordinator@usask.ca or 306-966-8817.

Integrity

The University of Saskatchewan is committed to the highest standards of academic integrity. <https://academic-integrity.usask.ca/>

Students are urged to read the Regulations on Academic Misconduct and to avoid any behaviours that could potentially result in suspicions of cheating, plagiarism, misrepresentation of facts and/or participation in an offence.

For help developing the skills for meeting academic integrity expectations, see: <https://academic-integrity.usask.ca/students.php>

Students are encouraged to ask their instructors for clarification on academic integrity requirements.

Examinations with Access and Equity Services (AES)

Access and Equity Services (AES) is available to provide support to students who require accommodations due to disability, family status, and religious observances.

Students who have disabilities (learning, medical, physical, or mental health) are strongly encouraged to register with Access and Equity Services (AES) if they have not already done so. Students who suspect they may have disabilities should contact AES for advice and referrals at any time. Those students who are registered with AES with mental health disabilities and who anticipate that they may have responses to certain course materials or topics, should discuss course content with their instructors prior to course add / drop dates.

Students who require accommodations for pregnancy or substantial parental/family duties should contact AES to discuss their situations and potentially register with that office.

Students who require accommodations due to religious practices that prohibit the writing of exams on religious holidays should contact AES to self-declare and determine which accommodations are appropriate. In general, students who are unable to write an exam due to a religious conflict do not register with AES but instead submit an exam conflict form through their PAWS account to arrange accommodations.

Any student registered with AES, as well as those who require accommodations on religious grounds, may request alternative arrangements for mid-term and final examinations by submitting a request to AES by the stated deadlines. Instructors shall provide the examinations for students who are being accommodated by the deadlines established by AES.

For more information or advice, visit <https://students.usask.ca/health/centres/access-equity-services.php>, or contact AES at 306-966-7273 (Voice/TTY 1-306-966-7276) or email aes@usask.ca.

Student Supports

Academic Help - University Library

Visit the University Library (<https://library.usask.ca/>) and Learning Hub (<https://library.usask.ca/studentlearning/>) to find supports for undergraduate and graduate students with first-year experience, study skills, learning strategies, research, writing, math and statistics. Students can attend workshops (<https://library.usask.ca/studentlearning/#Eventsandworkshop>), access online resources and research guides (<https://libguides.usask.ca/>), book 1-1 appointments (<https://libcal.usask.ca/appointments>) or hire a subject tutor (<https://usask.tutorocean.com/search?page=1&sortBy=bestMatch&subjectTutorsForHire=true>) through the USask Tutoring Network (<https://library.usask.ca/studentlearning/tutor.php>)

Connect with library staff through the AskUs (<https://library.usask.ca/askus/index.php>) chat service or visit various library locations (<https://library.usask.ca/hours.php>) on campus.

Enrolled in an online course? Explore the Online Learning Readiness Tutorial (https://libguides.usask.ca/Online_Learning_Readiness_Tutorial)

Financial Support

Any student who faces challenges securing their food or housing and believes this may affect their performance in the course is urged to contact Student Central (<https://students.usask.ca/student-central.php>).

Aboriginal Students' Centre

The Aboriginal Students' Centre (ASC) is dedicated to supporting Aboriginal student academic and personal success. The centre offers personal, social, cultural and some academic supports to Métis, First Nations, and Inuit students. The centre is also dedicated to intercultural education, bringing Aboriginal and non-Aboriginal students together to learn from, with and about one another in a respectful, inclusive and safe environment. Students are encouraged to visit the ASC's Facebook page (<https://www.facebook.com/aboriginalstudentscentre/>) to learn more.

International Student and Study Abroad Centre

The International Student and Study Abroad Centre (ISSAC) supports student success and facilitates international education experiences at USask and abroad. ISSAC is here to assist all international undergraduate, graduate, exchange and English as a Second Language students in their transition to the University of Saskatchewan and to life in Canada. ISSAC offers advising and support on matters that affect international students and their families and on matters related to studying abroad as University of Saskatchewan students. Please visit students.usask.ca for more information.