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Economics 2H03E
Winter - 2003
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Intermediate Macroeconomics

Course Description and Schedule

This course builds on the basic models and issues developed in the second part of Economics 1AA6: “Introductory Macroeconomics” which you have already taken. The attempt is to build a deeper, more detailed and more advanced understanding of the functioning of the economy at the national and international levels. The core issues to be discussed are the determinants of national income as before with more emphasis on international linkages and a deeper study of the labour market with a focus on the relationship between inflation and unemployment. The emphasis is on a more advanced understanding of macroeconomic issues which will involve a much greater use of mathematics than in 1A06. Most of the material to be covered in class is available in the form of notes on the course web page. If everyone downloads these notes and brings them to class, we can cover the material in a more efficient and rapid manner allowing formal classes to end early. This will leave time for students to approach me individually to ask questions, raise issues and clarify any confusion regarding the course material.

Course Information

Lecture Times: Tue : 7:00 - 9:45 PM
Classroom: MGD/AB102
Office Hours: Tue: 5:00-6:00 PM or by appointment.
T.A.: TBA
T.A. Hours: TBA
T.A. Email:

Textbook: Macroeconomics by Blanchard and Melino, First Canadian Edition.

The textbook along with the study guide should be available in the bookstore. I strongly recommend that you use the study guide as a supplement to the textbook. It will provide a number of practice exercises which will prepare you for the term tests and the final examination.

** As an added incentive, I promise that some of the test questions will be taken directly from the study guide and/or the questions in the textbook at the end of each chapter.

Evaluation

There will be three term tests of no more than 90 minutes each and a final exam of 120 minutes. The best two term tests will count for 25% each and the final for 50% of your grade. Term tests have been scheduled during regular class times for the following dates:

Tuesday - 01/28. Test 1
Tuesday - 03/4. Test 2
Tuesday - 04/1. Test 3

The final exam will be scheduled by the registrar's office.

Academic Ethics

Please be aware of the "Statement on Academic Ethics" and "Senate Resolutions on Academic Dishonesty" as found in the Senate Policy Statements distributed at registration and available in the Senate Office.

Other Rules and Policies

Only the McMaster standard calculator will be permitted during exams.

I reserve the right to adjust marks upwards in order to standardize the median score. Marks will never be adjusted down for this procedure.

If you miss a test due to illness, the marks will be transferred to the other test and final exam. You must provide appropriate documentation from a doctor for a missed test. **There will be no makeup tests.** Please check the pre-scheduled dates for tests and exams regarding availability within the first week. No changes are possible thereafter.

You are responsible for keeping up to date with any information provided in class by me or the TA including any revisions to the schedule. If you have to miss a class, make alternative arrangements to find out what was discussed in class. Check the course web-site given below regularly for updates and class announcements as well as course material. The address is

<http://socserv.socsci.mcmaster.ca/~econ/faculty/johri/2h3/>

Schedule*

Date	Topic
1/7	Introduction and review of Macroeconomics. Chapters 1-2.
1/14	The Goods market: A review and a deeper look. Chapters 3-4.
1/21	Financial Markets. Chapter 5.
1/28	Test # 1.
2/4	IS-LM model. Chapter 6.
2/11	Introduction to the open economy. Chapter 11.
2/25	The goods market in an open economy. Chapter 12.
3/4	Test # 2.
3/11	Extending the IS-LM model: The Mundell-Fleming model. Chapter 13.
3/18	The labour market. Chapter 15
3/25	General Equilibrium: all the markets together. Chapter 16.
4/1	Test # 3
4/8	Catchup and review. Exam ban:4/2 to 4/9.
4/10	Exam period starts: 4/10 to 4/28.

* The schedule may vary slightly from this preliminary outline depending upon the pace of the group.