

## Econ 1023 - Winter 2024 - Macroeconomic Principles - BAC 239 - 8:30-9:20am

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**Instructor:** Dr. Andrew Davis, [andrew.davis@acadiau.ca](mailto:andrew.davis@acadiau.ca)

**Office Hours:** 9:30-11am, Tuesdays and Thursdays, or by appointment, BAC 339/340.

### Textbook and Materials:

- Parkin and Bade, *Macroeconomics: Canada in the Global Environment*, 11th edition (strongly recommended but not mandatory) - though a prior version should be completely fine. (I have taught this course out of the 9th and 10th editions and they're basically identical.) Please note that as of the 11th edition, Pearson has decided to discontinue physical textbooks, so you need to go through MyLab if you want to purchase an ebook from them. If you choose this route, you may need to let me know to fully access your product. I encourage finding a textbook, but I'm not committed to you buying one.

**Calendar Description:** The national accounts. The measurement of macroeconomic indicators. The determination of aggregate employment and output in the short-run, the long-run and the very-long-run. The monetary system and monetary policy. The balance of payments accounts and exchange rate determination. Stabilization policies and policies to promote economic growth.

**Topics Covered:** This serves as a rough plan of attack for the course. Progression will be determined in part by student interest, amount of discussion, and difficulty. Chapters as per Parkin and Bade.

Text	Topic	Week
Ch. 4, 5	Measuring and describing macroeconomic data	1-2
Ch. 6	Economic growth and inequality	3-4
Ch. 7	Saving and investment	5
Ch. 8	The financial system and the crash	6-7
Ch. 9	Foreign trade and exchange	8-9
Ch. 10, 12	An aggregate demand-supply model	10-11
Ch. 13, 14	Monetary and fiscal policy	12-13

Why should you care about any of this? Why are these the topics covered? What's the point? The goal of this course, effectively, is a whirlwind tour of 'how the world works'. We can't judge how the world works without being able to measure things (Ch 4,5). Once we have some tools, we might as well start with the biggest questions. Why are some countries rich and some poor? (6) How does one ingredient in that mix, capital, work? (7) How do banks connect to capital? (8) How does trade matter? (9) The course then turns to a brief introduction to modelling business

cycles in macroeconomics (10,12) and connects it to how central banks and governments deal with events causing economic fluctuations (13,14).

At the end of the course, you should be prepared to take further studies in macroeconomics, of course. But in terms of more concrete learning objectives, this course aims to provide you with the following:

- An empirical understanding of what the Canadian economy looks like.
- An introduction to and an ability to process public economic debate.
- A beginning understanding of the broad strokes of economic history.
- Practice and training in writing economics.
- An introduction to our systems of finance and trade.
- An understanding of what economic models are, how they're used, and their limitations.
- An ability to blend language and logic to provide answers to economic questions.

### **Grading:**

- Tiny Quizzes: 15% (10 @ 1.5% each)
- Assignments: 15% (3 @ 5% each)
- Tests: 30% (2 @ 15% each)
- Final: 40%
- Term Paper: *max* 7% (optional, bonus, see below)

Late quizzes not accepted. Late assignments accepted at -1% per day. All missed quizzes, assignments, and tests will have their weight automatically added to the final exam. At the end of the course, if it is to your benefit, your lowest test will be dropped automatically. Further, if your grade on the final exceeds the weighted average, you will receive the final grade directly, to a maximum of an A. An A+ requires exceptional performance through the semester, not just the final.

**Tiny Quizzes:** These will be short assignments of a couple of questions each to help keep you on track with the material and to provide me with feedback on how the class is going, probably about one a week, due within a few days.

**Assignments:** These are going to be longer assignments that might require you to do some reading or writing or solve more problems. Two of these will be short writing/analysis/research reports of 500 words, while one will be a comprehensive problem set to prep for the exam. Expect several weeks of notice. Details on ACORN to come.

**COVID:** Currently, I expect that the class will carry on throughout the semester in person as planned. However, the probability of public health concerns changing the delivery of the course is not zero. The syllabus is subject to change in case of changing university policies.

**Disabilities and Access:** If you are a student with documentation for accommodations who anticipates needing supports or accommodations, please contact Accessible Learning Services in

Rhodes Hall, [accessible.learning@acadiua.ca](mailto:accessible.learning@acadiua.ca).

**Academic Integrity:** Academic integrity is the responsibility of every student. Infractions devalue your own experience, your future prospects, your reputation and that of your peers. Violations of academic integrity may result in significant penalties.

**Technology Policy:** For those of you intending to use cell phones, laptops, or other electronic devices during class, please be considerate of those around you. Use your devices in a way that will not distract others, e.g. by sitting at the side or back of the classroom. Note there is a large body of scientific evidence that finds use of devices in class to have negative impacts on academic performance.

**Recordings:** I intend to record all lectures to the best of my ability, though this should not be viewed as a substitute for coming to class. I do rely on the board and do not have the capability to record the board, only my voice and slides. I will, likely, also botch at least one class and fail to generate a quality recording.

### **Important Dates:**

Jan. 8 - Winter courses begin.

Jan. 17 - Last day to add/change course sections without a W.

Feb. 9 - Test 1.

Feb. 19-24 - Winter study break. No classes.

Mar. 8 - Last day to drop fall courses and receive a W.

Mar. 18 - Test 2.

Apr. 5 - End of classes.

**Term Paper:** Choose a book on economics written for a popular audience. Read it thoroughly. Discuss the content of the book, what you considered most/least valuable from the exercise, and ideally link this with content covered in the course. A varied list of suggestions for an appropriate book include:

- A Random Walk Down Wall Street, Burton Malkiel
- The Midas Paradox, Scott Sumner
- Why Nations Fail, Daron Acemoglu and James Robinson
- The Great Escape, Angus Deaton
- Poor Economics, Abhijit Banerjee and Esther Duflo
- Capital in the Twenty-First Century, Thomas Piketty
- The Road to Serfdom, Friedrich Hayek
- Free to Choose, Milton Friedman
- The Worldly Philosophers, Robert Heilbroner
- The Rational Optimist, Matt Ridley
- The Courage to Act, Ben Bernanke
- House of Debt, Atif Mian and Amir Sufi
- A Splendid Exchange, William Bernstein
- The Rise and Fall of American Growth, Robert Gordon

but you are encouraged to consider texts beyond this list. Please check with me before you commit to a selection not on this list. Maximum 2500 words. Please note that grading on bonus projects is aggressive compared to on regular evaluation.