

**Huron University College**  
**Advanced Macroeconomics**  
**Economics 3320a**  
**MWF 2:30 -3:30 in W112**

Des McKeon  
Office A8  
Office hours Office hours Wednesday 3-4  
Phone: 661-2111 ext.85303  
Email [dmckeon@uwo.ca](mailto:dmckeon@uwo.ca)

**Course description.**

This is a course in macroeconomic theory at the advanced undergraduate level. It is intended to act as a bridge between intermediate macroeconomics and a more advanced treatment typical in graduate level courses.

Macroeconomics at this level is not practiced in the synthesized manner that is prevalent in intermediate courses.

In general, macroeconomics branches in two directions. One the one hand it concerns itself with long term economic growth, and on the other hand it is concerned with short and medium term fluctuations in output and employment.

We will survey the topics that make up these branches with the goal of gaining a sense of where macroeconomic theory is going.

The mathematical requirements for the course are a sound understanding of elementary calculus. However, we will *sketch out* the techniques of dynamic programming when needed.

**Course learning objectives.**

1. Students will learn to critically evaluate macroeconomic models.
2. Students will assess models that serve as the basis of current macroeconomic theory.
3. Students will acquire a facility in reading and summarizing academic journals in macroeconomics (theoretical and applied).
4. Students will gain some experience in conducting an academic/professional presentation.
5. Students will begin to use mathematics as a “language” to express ideas.

**Course Methods.**

Lectures will be given by the instructor. Class participation during the lectures will be expected. Students will conduct presentations.

### **Text and materials.**

Because of the nature of macroeconomics at the post-intermediate level, no one integrated text is offered. This approach will be different than that taken in the intermediate courses, where textbooks are followed quite closely.

Andolfatto David, *Macroeconomic theory and Policy*, Simon Fraser (2006).

\*Chugh Sanjay, *Modern Macroeconomics*, MIT Press forthcoming (2015)

Gillman Max, *Advanced Modern Macroeconomics Analysis and Application*, Prentice Hall (2011).

Jones Charles, *Introduction to Economic Growth*, Norton (2013)

Romer David, *Advanced Macroeconomics 3rd edition*, McGraw Hill (2006).

Olson, Ola, *Essentials of Advanced Macroeconomic Theory*, Routledge (2012).

Wickens Michael, *Macroeconomic Theory*, Princeton University Press (2008).

Williamson Stephen, *Macroeconomics*, 4th Canadian Edition, Addison Wesley (2013).

\*Text was ordered as “suggested” and should be in the bookstore.

### **Attendance.**

Attendance at **lectures is required** and part (but not all) of your participation mark is based on attendance. I do not hand out lecture notes for missed classes.

### **Course requirements.**

There will be two exams: one midterm and a final. In addition, there will be one assignment. The assignment consists of selecting, summarizing and reporting on a journal article. The rationale for the assignment is to provide experience in reading professional/ academic articles in macroeconomics. This is a skill that is essential for graduate study or for a professional career.

The assignment consists of two parts. The first part is a written submission containing a summary of the article, explaining its salient points. The second part consists of presenting the summarized version in a seminar.

You may do the assignment as a team. Your choice of article must come from a **mainstream professional journal or from a handbook** or other source of collected works.

Your choice of article must be approved by the instructor. **Failure to get approval may result in the assignment not being accepted.**

The grade weighting for the course is as follows:

Midterm	25 %
Assignment/ Presentation	25%
Participation	10%
Final Exam	40%

Midterm Date ..... Oct 19  
Presentations..... Begin Nov 23  
Final Exam..... Date will be set by the registrar's office

**Course outline.**

The following is a tentative list of subject areas and **likely will change** as the class progresses. **The sequence of topics may also be altered!**

- A. .Static Consumption-Leisure Model
- B. The Dynamic Consumption-Savings Model
- C. Infinite-Horizon Consumer Problem and Asset Pricing
- D. Firms: Labor Demand, Investment Demand, and Aggregate Supply
- F. Real Business Cycle Theory
- G. New Keynesian Economics
- H. Money in the Intertemporal Model
- I. Interactions between Fiscal and Monetary Policy
- J. Neoclassical Growth Theory  
Neoclassical Extensions
- K. Employment (labour markets)
- L. Topics in open economy macroeconomics

**PLEASE NOTE.**

Although every attempt will be made to adhere to the above **THIS IS A TENTATIVE SCHEDULE. ADDITONS AND/OR DELETION OF MATERIAL PROBABLY WILL OCCUR AS THE COURSE PROGRESSES. IT IS INCUMBENT ON ALL PARTICIPENTS TO KEEP INFORMED OF ANY CHANGES.**

**Please note – there are no makeups given for missed class tests for any reason whatsoever.**

**To receive accommodation for a missed test the student must contact the counseling office.**

**If proper procedures have been followed and relief for a missed test has been granted by the counseling office then the marks for the missed test will be reallocated to the final exam.**

**To repeat: You must obtain accommodation for missed tests from the counseling office. A written memo from the counselor is then to be presented to the instructor. The instructor will not arbitrarily grant accommodation for missed tests.**

**Photography in Class – Please do not use smart phones to take pictures of slides or other material during class.**



**The Appendix to Course Outlines is posted on the OWL course site.**