



# ECON649

## Economic Analysis

MQC S1 Evening 2014

*Economics*

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#### **Disclaimer**

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## General Information

Unit convenor and teaching staff

Moderator

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Unit Convenor

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Credit points

4

Prerequisites

Admission to MAcc(CPA) or MAcc(Prof) or MAcc(Prof)MComm

Corequisites

Co-badged status

ECON991 Economics for Actuaries

Unit description

This unit provides a graduate-level foundation in modern economic analysis. The first half of the unit is devoted to macroeconomics which examines in the context of the Australian economy the problems associated with inflation, unemployment and balance of payments, while the second half deals with a study of the theory and application of microeconomics.

## Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

## Learning Outcomes

On successful completion of this unit, you will be able to:

Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics

Explain, compare, contrast and analyse these concepts, models and theories logically and coherently

Apply, analyse, evaluate, and suggest solutions using these concepts, models and

theories to real world economic problems or practical situations

Identify and then use relevant economic diagrams to assist with explanations and applications

Understand the behaviour of individuals and firms and the operation of markets in the economy

Understand the role of the government and the central bank in the economy and the instruments available to them to manage the econ

## Assessment Tasks

Name	Weighting	Due
<u>Test 1</u>	10%	Week 4
<u>Assignment</u>	30%	Week 8
<u>Final exam</u>	60%	University Examination Period

### Test 1

Due: **Week 4**

Weighting: **10%**

The purpose of this test is to examine your understanding of the concepts and models learnt in the first few weeks. This task's aim is to provide you with some early feedback about your progress in the course. The test will consist of a series of multiple choice style questions.

The test will be completed online during week 4 and more details will be made available by the end of week 2. If you do not complete the test you will be awarded a mark of zero (0). The only exception to not completing the test is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University's policy on the Special Consideration process is available at

[http://www.mq.edu.au/policy/docs/special\\_consideration/policy.html](http://www.mq.edu.au/policy/docs/special_consideration/policy.html)

Extension

N/A

Penalties

If you do not complete the test you will be awarded a mark of zero (0).

On successful completion you will be able to:

- Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics

- Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations

## Assignment

Due: **Week 8**

Weighting: **30%**

The purpose of the assignment is to examine your ability to understand and apply (i) microeconomic concepts learnt in the first seven weeks of the course (ii) macroeconomic concepts that will require you to do some independent reading. The assignment will consist of a number of calculation based problem solving questions. The assignment will be available to students in week 4 on the unit web page.

### Submission

The assignment is due in week 8 of session – May 5 – 9 – and must be handed in during your class. You must hand in your assignment in the class in which you are enrolled.

### Extension

No late assignments will be accepted. If you cannot submit your assignment on time because of documented illness or unavoidable disruption please consider applying for Special Consideration. The University's policy on the Special Consideration process is available at

[http://www.mq.edu.au/policy/docs/special\\_consideration/policy.html](http://www.mq.edu.au/policy/docs/special_consideration/policy.html)

### Penalties

If an assignment is submitted late it will receive a mark of zero (0).

On successful completion you will be able to:

- Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics
- Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations
- Identify and then use relevant economic diagrams to assist with explanations and applications
- Understand the behaviour of individuals and firms and the operation of markets in the economy

## Final exam

Due: **University Examination Period**

Weighting: **60%**

### Examination conditions

A 2 hour final examination for this unit will be held during the Macquarie University final examination period.

All topics studied during the semester are examinable. The exam will consist of multiple choice questions and questions requiring written answers (more detail about the structure will be provided towards the end of the semester). The final exam will give you an opportunity to demonstrate the depth and breadth of your knowledge of basic economic concepts, the economic way of thinking and in using your knowledge to solve economic problems.

On successful completion you will be able to:

- Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics
- Explain, compare, contrast and analyse these concepts, models and theories logically and coherently
- Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations
- Identify and then use relevant economic diagrams to assist with explanations and applications
- Understand the behaviour of individuals and firms and the operation of markets in the economy
- Understand the role of the government and the central bank in the economy and the instruments available to them to manage the econ

## Delivery and Resources

### Classes

The unit has 3 hours face-to-face teaching per week. There is one meeting per week held on **Wednesday evening between 6.00 - 9.00 p.m.**

You are strongly advised to attend lectures so that the analytical content of the subject can be outlined and a basis provided for your reading and written work. It is important for you to recognise however, that lectures should be considered a supplement to, rather than a substitute

for, your study of the recommended reading material. Ultimately your success in this course will depend on your willingness to use the library facilities to read about economics and your willingness to be diligent in your learning endeavours.

It is very important that students **attend all sessions**. Each week's work builds on material previously covered and there is the very real danger that comprehension of the theoretical aspects of the subject will be hampered by intermittent attendance. The class test and the final examination will focus on the material discussed in lectures and contained in the text and supplementary readings.

Students experiencing significant difficulties with any topic in the unit should seek assistance immediately. Consultations are available either before or after classes or by arrangement with the lecturer. Consultations will not be conducted by e-mail.

There will be three workshops held during the semester. These workshops are designed to review and reinforce the material covered in lectures and in the required reading. These workshops will be held during normal lecture times during weeks 5, 7 and 13. Details concerning the questions to be covered during the workshops can be downloaded from the unit web page.

## Required and Recommended Texts and/or Materials

The textbooks for this course are:

Frost, L., Taylor, J., Weerapana, A. and Schuwalow, P. (2013) *Microeconomics: Principles and Practice*, Cengage Learning.

Littleboy, B., Taylor, J. and Weerapana, A (2013) *Macroeconomics: Principles and Practice*, Cengage Learning.

The textbooks can be purchased from the Co-op bookstore located on campus.

- The textbooks are available to borrow from the Macquarie University library.
- The publisher provides access to the online learning resource Aplia through the iLearn website for this course.

## Technology Used and Required

Students will require a non-programmable calculator for completion of workshop tasks, test 1 and the final exam. A calculator is non-programmable if it does not have any memory, or if it is capable of storing only numerical data within its memory.

Students will also require access to a computer to view the unit website, view the publisher's website for the set text, and for email communication with staff.

## Unit Web Page

Course material is available on the learning management system (iLearn)

The web page for this unit can be found at:

<https://ilearn.mq.edu.au/login/MQ/>

## Learning and Teaching Activities

This unit will be taught using a combination of both lectures and workshops.

It is expected that students will:

- Attend all lectures and workshops
- Read the set chapters from their textbooks and any supplementary readings – preferably in advance of lecture attendance
- Attempt practice questions in their textbooks for personal revision
- Prepare for workshops in advance

## Unit Schedule

WEEK	Topic	Required Reading	Reminders
1 <i>Mar 3 – 7</i>	Introduction, the Economic Way of Thinking and the Production Possibility Frontier	Frost et al., Chs 1 (including appendix), & 2	

2 <i>Mar 10 – 14</i>	The Supply and Demand Model	Frost et al., Ch 3	
3 <i>Mar 17 – 21</i>	The Demand Curve and The Supply Curve	Frost et al., Chs 4 & 5	
4 <i>Mar 24 – 28</i>	Elasticity and the Costs of Production (Part 1)	Frost et al., Chs 6 & 7	Test 1
5 <i>Mar 31 – Apr 4</i>	Costs of Production (Part 2)	Frost et al., Ch 7	Workshop 1
6 <i>Apr 7 – 11</i>	A Competitive Market and Monopoly (Part 1)	Frost et al., Chs 8 & 9	
<i>Apr 14 – 25</i>	<b>Mid Semester Break</b>		
7 <i>Apr 28 – May 2</i>	Monopoly (Part 2.)	Frost et al., Ch 9	Workshop 2
MACROECONOMICS 8 <i>May 5 – 9</i>	Introduction to Macroeconomics: GDP, Business Cycles and Inflation	Littleboy et al., Chs 1,2,3 & 4	Assignment 1 Due
9 <i>May 12 – 16</i>	Introduction to Macroeconomics: Labour and Money and Banking	Littleboy et al., Chs 5 & 6	
10 <i>May 19 – 23</i>	Aggregate Expenditure Line Model and the Multiplier	Littleboy et al., Chs 7 & 8	
11 <i>May 26 – 30</i>	Monetary Policy and the Economic Fluctuations Model (Part 1)	Littleboy et al., Chs 9 & 10	



12 <i>Jun 2 – 6</i>	Monetary Policy and the Economic Fluctuations Model (Part 2)  Fiscal Policy (Part 1)	Littleboy et al., Chs 11 & 12	
13 <i>Jun 10 –13</i>	Fiscal Policy (Part 2)	Littleboy et al., Ch 13	Workshop 3
<i>Jun 16 – Jul 4</i>	<b>Final Exam Period</b>		

## Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](#). Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy [http://mq.edu.au/policy/docs/academic\\_honesty/policy.html](http://mq.edu.au/policy/docs/academic_honesty/policy.html)

Assessment Policy <http://mq.edu.au/policy/docs/assessment/policy.html>

Grading Policy <http://mq.edu.au/policy/docs/grading/policy.html>

Grade Appeal Policy <http://mq.edu.au/policy/docs/gradeappeal/policy.html>

Grievance Management Policy [http://mq.edu.au/policy/docs/grievance\\_management/policy.html](http://mq.edu.au/policy/docs/grievance_management/policy.html)

Disruption to Studies Policy [http://www.mq.edu.au/policy/docs/disruption\\_studies/policy.html](http://www.mq.edu.au/policy/docs/disruption_studies/policy.html) *The Disruption to Studies Policy is effective from March 3 2014 and replaces the Special Consideration Policy.*

In addition, a number of other policies can be found in the [Learning and Teaching Category](#) of Policy Central.

## Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: [https://students.mq.edu.au/support/student\\_conduct/](https://students.mq.edu.au/support/student_conduct/)

## Grades

Macquarie University uses the following grades in coursework units of study:

- HD - High Distinction
- D - Distinction
- CR - Credit
- P - Pass
- F – Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at:

<http://www.mq.edu.au/policy/docs/grading/policy.html>

For further information, please refer to the following link:

<http://universitycouncil.mq.edu.au/legislation.html>

## **Grade Appeals and Final Examination Script Viewing**

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

<http://www.city.mq.edu.au/reviews-appeals.html>

## **Special Consideration Policy**

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at: [http://www.mq.edu.au/policy/docs/special\\_consideration/policy.html](http://www.mq.edu.au/policy/docs/special_consideration/policy.html)

The University defines serious and unavoidable disruption to studies as resulting from an event or set of circumstances that:

- could not have reasonably been anticipated, avoided or guarded against by the student; **and**
- was beyond the student's control; **and**
- caused substantial disruption to the student's capacity for effective study and/or the completion of required work; **and**
- substantially interfered with the otherwise satisfactory fulfilment of unit or course requirements; **and**
- was of at least three (3) consecutive days duration within a study period and/or prevented completion of the final examination.

A Special Consideration application is deemed to be valid if all the following criteria have been satisfied:

- The Special Consideration application is completed by the student and submitted online through [www.ask.mq.edu.au](http://www.ask.mq.edu.au) within five (5) working days after the due date of the associated assessment task / final examination.
- The application contains supporting evidence to demonstrate the severity of the circumstance(s) and that substantial disruption has been caused to the student's capacity for effective study. (The University will not follow up on outstanding evidence, nor contact any person or body on behalf of the student. The application will be considered as submitted.)
- The original supporting documentation has been sighted by MQC reception staff within five (5) working days after the due date of the associated assessment task.
- Where the particular circumstances are medical in nature, a *Professional Authority Form* including the health professional's Medicare Provider Number is included. (If a *Professional Authority Form* cannot be obtained, an original medical certificate indicating the severity (serious / not serious) and impact of the circumstances must be included with the application.)
- Where the particular circumstances are non-medical in nature, appropriate supporting evidence indicating the severity (serious / not serious) and impact of the circumstances is included with the application.
- The student was performing satisfactorily in the unit up to the date of the unavoidable disruption. (If a student's work in the unit was previously unsatisfactory, subsequent unavoidable disruption will not overcome the fact that the earlier work was unsatisfactory).

### **Unacceptable grounds for Special Consideration**

The University has determined that some circumstances are not acceptable grounds for claiming Special Consideration. These grounds include, but are not limited, to:

- routine demands of employment
- routine family problems such as tension with or between parents, spouses, and other people closely involved with the student
- difficulties adjusting to university life, to the self-discipline needed to study effectively, and the demands of academic work
- stress or anxiety associated with examinations, required assignments or any aspect of academic work
- routine need for financial support
- routine demands of sport, clubs and social or extra-curricular activities.

### **Acute Problems**

The University defines acute problems as those involving fewer than three (3) consecutive days within a study period. In these cases, students should not apply for special consideration via [ask.mq.edu.au](http://ask.mq.edu.au), but contact their Unit Convenor within 5 working days of the assessment due date so that a local solution may be discussed, except where the disruption affects completion of a final examination. (If a final examination is affected, the student should submit a special consideration application via [ask.mq.edu.au](http://ask.mq.edu.au).)

**Prior Conditions** Conditions existing prior to commencing a unit of study are not grounds for Special Consideration, except in the event of unavoidable deterioration of the condition. The student is responsible for managing their workload in light of any known or anticipated problems. Students with a pre-existing disability/ chronic health condition may contact the [Disability Service](#) for information on available support.

In submitting a request for Special Consideration, the student is acknowledging that they may be required to undertake additional work and agreeing to hold themselves available so that they can complete any extra work as required. The time and date, deadline or format of any required extra assessable work as a result of an application for Special Consideration is not negotiable.

### **Attendance at Macquarie City Campus**

All Students are required to attend at least 80% of the scheduled course contact hours each Session. Additionally Macquarie City Campus monitors the course progress of international students to ensure that the student complies with the conditions of their visa relating to attendance.

This minimum level of attendance includes all lectures and tutorials. Tutorial attendance will be recorded weekly. If any scheduled class falls on a public holiday this will be rescheduled as advised by your Lecturer. Attendance at any mid-Session or in-class test is compulsory unless otherwise stated.

Unavoidable non-attendance due to illness or circumstances beyond your control must be

supported by appropriate documentation to be considered for a supplementary test. Other non-attendance will obtain zero for the test. You should refer to the section above on Special Consideration for more details about this.

## Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

## Learning Skills

Learning Skills ([mq.edu.au/learningskills](http://mq.edu.au/learningskills)) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

## Student Support at Macquarie City Campus

Students who require assistance are encouraged to contact the Student Services Manager at Macquarie City Campus. Please see reception to book an appointment.

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://students.mq.edu.au/support/>

At any time students (or groups of students) can book our Student Advising rooms on Level 6 by emailing [info@city.mq.edu.au](mailto:info@city.mq.edu.au) with a day and time and nominated contact person. There are additional student study spaces available on Level 1.

Macquarie University Campus Wellbeing also has a presence on the City Campus each week. If you would like to make an appointment, please email [info@city.mq.edu.au](mailto:info@city.mq.edu.au) or visit their website at: <http://www.campuslife.mq.edu.au/campuswellbeing>

StudyWISE provides:

- Online learning resources and academic skills workshops [http://www.mq.edu.au/learning\\_skills](http://www.mq.edu.au/learning_skills)
- Personal assistance with your learning & study related questions

## Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

## Student Enquiries

For all student enquiries, visit Student Connect at [ask.mq.edu.au](http://ask.mq.edu.au)

## IT Help

For help with University computer systems and technology, visit <http://informatics.mq.edu.au/help/>.

When using the University's IT, you must adhere to the [Acceptable Use Policy](#). The policy applies to all who connect to the MQ network including students.

### IT Help at Macquarie City Campus

If you wish to receive IT help, we would be glad to assist you at <http://informatics.mq.edu.au/help/> or call 02 9850-4357.

When using the university's IT, you must adhere to the Acceptable Use Policy. The policy applies to all who connect to the MQ network including students and it outlines what can be done.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.

Students are expected to act responsibly when utilising Macquarie City Campus IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted.
- Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

If you would like to borrow headphones for use in the Macquarie City Campus computer labs (210, 307, 311, 608) at any point, please ask at Level 2 Reception. You will be required to provide your MQC Student ID card. This will be held as a deposit while using the equipment.

For assistance in the computer labs, please see a Lab Demonstrator (usually they can be found in Lab 311, otherwise ask at Level 2 Reception).

## Research and Practice

? This unit uses research from external sources (references)

? This unit gives you practice in applying research findings in your assignments