



ECON633

Intermediate Macroeconomics

MQC S1 Evening 2014

Economics

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General Information

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Available on iLearn

Credit points

4

Prerequisites

Admission to MCom or MAcc(Prof)MCom or MBioTechMCom or MEc or MIntBus or MIntBusMIntComm or MIntBusMIntRel

Corequisites

Co-badged status

Unit description

This is an intensive unit in intermediate macroeconomics, designed to provide the postgraduate student with all the basic macroeconomics required for a general commerce postgraduate program, and serving also as a starting point for specialist studies in postgraduate economics. The unit covers a wide range of the models in use in Economics today, including IS-LM, AD-AS, theories of the labour market, and the theory of exchange rates, and culminating in the Mundell-Fleming model of an open economy. The unit also provides a substantial introduction to the history of economic thought, allowing students to see the origins of the models they study and so better understand the models themselves. Although a theoretical unit, the contents have a large practical application, with review of many of the problems facing the global economy since the beginning of this decade, as well as the attempted solutions. This unit needs no prior knowledge. Thus any basic economics and accompanying mathematical and other skills required by the unit's material are taught as part of the unit curriculum.

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:

- Be conversant with major macroeconomic theories;
- Apply and critically evaluate some of the basic macroeconomic models and theory in order to analyse real economic problems;
- Understand and appreciate current major macroeconomic issues;
- Critically analyse, compare and examine the motives behind economic policies.

Assessment Tasks

Name	Weighting	Due
Class Test 1	10%	Week 5
Assignment	20%	Week 8
Class Test 2	30%	Week 12
Final Exam	40%	As set by university

Class Test 1

Due: **Week 5**

Weighting: **10%**

The purpose of this test is to aid in preparation for the mid-session and final examinations. As with the other in-session assessments, this purpose of this is more important than the mere accumulation of marks. The test will cover the basic model presented in the first few weeks of lectures. The style of question will mirror those to be encountered in examinations later in session and will familiarise student with the requirements of dealing with economics exams. Any difficulties likely to hamper a student's progress will be identified in plenty of time for action to be taken.

On successful completion you will be able to:

- Be conversant with major macroeconomic theories;
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- Understand and appreciate current major macroeconomic issues;
- Critically analyse, compare and examine the motives behind economic policies.

Assignment

Due: **Week 8**

Weighting: **20%**

Assignment details will be discussed in class and posted on iLearn.

On successful completion you will be able to:

- Be conversant with major macroeconomic theories;
- Apply and critically evaluate some of the basic macroeconomic models and theory in order to analyse real economic problems;
- Understand and appreciate current major macroeconomic issues;
- Critically analyse, compare and examine the motives behind economic policies.

Class Test 2

Due: **Week 12**

Weighting: **30%**

The mid-semester test will contribute 30% of the mark for the unit and so is an important part of the assessments. However it is identical in structure to the Final Exam and it is thus mainly designed as practice for that Final Exam. It gives you a chance to test whether your study methods and grasp of the material is sufficient to achieve success in the unit. Thus you should see the mid-semester test as a learning exercise as much as an assessment tool, to help you to prepare for the Final Exam, which contributes 40% of the final marks for the Unit. Don't panic if you don't do well in the mid-semester exam since, as noted above, it is good practice for the final regardless of your result in terms of marks. You can retrieve a low mark in the mid-semester by doing well in the final exam, using the experience gained in the mid-semester test.

On successful completion you will be able to:

- Be conversant with major macroeconomic theories;
- Apply and critically evaluate some of the basic macroeconomic models and theory in order to analyse real economic problems;
- Understand and appreciate current major macroeconomic issues;
- Critically analyse, compare and examine the motives behind economic policies.

Final Exam

Due: **As set by university**

Weighting: **40%**

The final exam will include both multiple choice and long answer questions, for which you will have received practice in the mid-semester exam. Details regarding the structure of the final exam will be given in lectures. As always, the final exam has a large weight in your assessment, but you will be attempting it on the basis of the experience you have built up in the within-semester assessments. Thus you will be well prepared for the final exam.

Delivery and Resources

Classes

There will be one three-hour session each week.

The timetable for classes can be found on the University web site at:

https://student.mq.edu.au/noticeboard/frameset_Timetable.htm

It is a requirement of this unit that students attend all classes.

Required and Recommended Texts and/or Materials

IMPORTANT NOTE: The following references are only a complement to lecture notes: they are NOT a substitute.

Recommended:

Olivier Blanchard & Jeffrey Sheen, *Macroeconomics*, Pearson, 4th Australasian edition, 2013.

This text can be purchased from the Macquarie University Co-op Bookshop.

Other Useful References (in alphabetical order):

- Bernanke, B., Olenkowsky, N., Frank, R. (2011), *Principles of Macroeconomics*, 3rd. ed.,

McGraw Hill

- Dornbusch, Bodman, Crosby, Fischer, Startz (2006), 2nd ed., *Macroeconomics*,

McGraw Hill

- Hubbard, Garnett, Lewis, O'Brien (2008), *Macroeconomics*, Pearson

- Littleboy and Taylor (2006), *Macroeconomics*, 3rd ed., Wiley

- Mankiw, G. (2007), *Macroeconomics*, 6th ed., Worth

- McTaggart, D. Findlay, C. and Parkin M. (2007), *Macroeconomics*, 5th ed., Pearson

- Sloman, J. and Norris, K. (2002), *Macroeconomics*, 2nd edition, Prentice Hall

All these books are available in the library:

Useful websites

- Australian Bureau of Statistics: www.abs.gov.au
- Australian Parliamentary Library: www.aph.gov.au
- Australian Treasury: www.treasury.gov.au
- International Monetary Fund, IMF: www.imf.org
- OECD: www.oecd.org
- Reserve Bank of Australia: www.rba.gov.au
- World Bank: www.worldbank.org

Unit Web Page

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

- The web page for this unit can be found at <http://ilearn.mq.edu.au/>

Learning and Teaching Activities

The weekly three-hour session will comprise a two-hour lecture and an hour-class practice. The lectures will provide students with an overview of macroeconomics both in theory and practice and a good understanding of major and current economic issues.

The class practice tests will ask students to answer unseen questions from the previous week's lecture and reading material. The solutions to these questions will be provided and discussed in class. The objective of this strategy is to provide each student with immediate feedback on their answers with the expectation that this will assist and deepen their understanding of various aspects of macroeconomics.

Students are expected to read in advance the lecture notes provided online, as well as the required readings, and to participate in class discussions.

Unit Schedule

Module 1: Introduction to Economics

Module 2: The Basic Tools

Module 3: The Goods Market

Module 4: The Money Market

Module 5: The IS-LM Model

Module 6: The Labour Market

Module 7: The AD-AS Model

Module 8: The Phillips Curve

Module 9: Consumption and Investment

Module 10: The Determinants of the Exchange Rate

Module 11: The Mundell-Fleming Model

Module 12: Economic Growth

Module 13: Depression and Crises

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

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

Disruption to Studies Policy 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/

Grades

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

- HD - High Distinction (85 - 100)
- D - Distinction (75 - 84)
- CR - Credit (65 - 74)
- P - Pass (50 - 64)
- F – Fail (0 - 49)

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 page 71 of the 2013 Calendar of Governance, Legislation and Rules- Postgraduate Rules at

http://universitycouncil.mq.edu.au/pdfs/2013-Postgraduate_rules.pdf

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

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 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, 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.)

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

All Students are required to attend at least 80% of the scheduled course contact hours each Session. Additionally MQC 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 below 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) 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

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/>

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

At any time students (or groups of students) can book our Student Advising rooms on Level 6 by emailing 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 or visit their website at: <http://www.campuslife.mq.edu.au/campuswellbeing>

UNIWISE provides:

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

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

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 by Macquarie University researcher

e.g.:

- Lombard, M. (2010), "Government Intervention in OECD Member Countries: Efficiency at the Expense of Equity?", *Economic Papers*, Vol.29, 3, September, 310-16 (presented at the Conference of Economists, Sydney, Sept. 2010)
- Lombard, M. (2009), "Economic Welfare Comparisons: Australia, the United States and the European Union", *Economic Papers*, Vol.28, 2, June, 139-147
- Lombard, M. (2011), "Current State of the World Economy", *EcoDate*, Vol. 25, No2, May

? This unit uses research from external sources (see above references)

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

- This unit gives you opportunities to conduct your own research

Changes since First Published

Date	Description
11/02/2014	The Prerequisites was updated.