



ECON110

Macroeconomic Principles

S1 Evening 2015

Dept of Economics

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General Information

Unit convenor and teaching staff

Unit Convenor & Lecturer Monday 12.00 - 2.00 p.m.

Dr. Alison Vicary

alison.vicary@mq.edu.au

Contact via Email (ECON110 iLearn Site)

E4A437

Administration & Lecturer Monday 6.00 - 8.00 p.m.

Dr Onur Ates

onur.ates@mq.edu.au

Contact via Email (ECON110 iLearn Site)

E4A410

Onur Ates

onur.ates@mq.edu.au

Credit points

3

Prerequisites

Corequisites

Co-badged status

Unit description

This unit is an introductory course in macroeconomics. It focuses on the economy as a whole, the economy seen as a set of markets related to each other, rather than on the features characterising the equilibrium in an individual market, for example, the market for shoes. Topics covered include gross domestic product (GDP), savings, unemployment, inflation, money, the balance of payments, exchange rates, fiscal policy and monetary policy. At the end of the course, students should be able to apply the main model used by economists to represent the economy (aggregate supply-aggregate demand), identify the forces that determine the equilibrium level of output, employment, inflation, interest rates, the exchange rate and their movements, and be able to analyse and predict the effect of shocks to supply and/or demand.

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:

Recognize and compute basic economic variables, such as GDP, inflation, savings and unemployment.

Identify the role of money, banks and illustrate the credit creation process.

Illustrate fluctuations in output and employment using economic models and apply them to particular scenarios.

Evaluate and illustrate the instruments available to governments and central banks to manage the economy.

Illustrate the economic relationships a country has with the rest of the world.

Make macro-economic policy recommendations given different economic scenarios.

General Assessment Information

If you do not submit or sit for any assessment task on the designated date and time, you will be accorded a mark of zero for that particular piece of assessment. If there are legitimate grounds for non-submission or non-attendance, you should consult the Disruption to Studies Policy, which can be found in the Policies and Procedures section of the Unit Guide.

http://www.mq.edu.au/policy/docs/disruption_studies/policy.html

Note: If you are granted an extension for a task, an alternative submission date or a supplementary exam, you may be required to partake in an oral assessment task in lieu of the quiz, tutorial submission, mid-session and final exam.

Assessment Tasks

Name	Weighting	Due
Tutorial Questions & Quizzes	30%	Weekly
In-Class Test	30%	Week 7
Final Examination	40%	University Examination Period

Tutorial Questions & Quizzes

Due: **Weekly**

Weighting: **30%**

There are **two** components to the tutorial assessment.

1. Short online quiz to be completed prior to each tutorial.

- The quizzes must be completed **before 9 a.m Monday** on the week of the tutorial.

- The marks you receive for each quiz will not count towards your assessment.
- However if you do not undertake the quiz your tutorial submission for that week will not be marked.

The quiz will give academic staff and yourself some immediate idea of your understanding of the material. This material will relate to the questions in the tutorial submissions.

2. Submission of answers to questions at the end of each of your tutorials.

- You will be provided with most of the questions prior to the tutorials. However, each week you will be provided with an additional question at your tutorial class.
- You will submit answers for each set of tutorial questions (except in week 7), but only six of these sets of tutorial questions will be marked by your tutor.
- You will not be told beforehand which tutorial submissions will be marked.
- Each marked tutorial submission is worth 5% of your total grade (Total = 30%).
- You will be divided into groups of no more than 4 people in the first tutorial (Week 2). You will work on the questions as a group, but you will submit your answers individually. The expectation is that you will concentrate on the question provided in the tutorial and then assist each other with the other questions, if there is time. You are encouraged to assist each other within the group, as this is a very good way to learn. However, do not allow another group member to simply copy your work, as you will both be penalized and accorded a mark of zero.
- Any questions that involve calculations should include the formula, and the steps to reach the answer.
- You must compose answers in your own words. This allows you to gain some idea of your comprehension of the concept and develops your written communication skills. It also allows academic staff to provide you with some feedback on your comprehension and ability to express your understanding of the concept.
- Your tutor will provide assistance to students in the classroom, but will not systematically reproduce the answers to all the questions on the whiteboard.
- Assistance prior to the tutorial will be available each week. You are encouraged to take advantage of these resources. More details will be provided on iLearn.

No extensions will be granted. Students who do not complete the quiz by 9 a.m. Monday each week there is a tutorial and/or do not submit tutorial homework at the end of their tutorial will be awarded a mark of zero for that week.

The marks for your tutorial submissions will be placed on Gradebook. It is your responsibility to check Gradebook each week there is a tutorial. If there are any problems with the recording of a tutorial mark you must immediately send an email (via iLearn) to Dr. Onur Ates.

On successful completion you will be able to:

- Recognize and compute basic economic variables, such as GDP, inflation, savings and unemployment.
- Identify the role of money, banks and illustrate the credit creation process.
- Illustrate fluctuations in output and employment using economic models and apply them to particular scenarios.
- Evaluate and illustrate the instruments available to governments and central banks to manage the economy.
- Illustrate the economic relationships a country has with the rest of the world.
- Make macro-economic policy recommendations given different economic scenarios.

In-Class Test

Due: **Week 7**

Weighting: **30%**

In Week 7 a mid-session test will be held in the lecture times (1 hour 35 minutes). It will cover the material addressed in weeks 1-6.

You must sit the test in the lecture for which you are enrolled. Failure to adhere to this directive will result in the student receiving a mark of zero for the mid-session exam. The tests in each lecture time will be different.

On successful completion you will be able to:

- Recognize and compute basic economic variables, such as GDP, inflation, savings and unemployment.
- Identify the role of money, banks and illustrate the credit creation process.
- Illustrate fluctuations in output and employment using economic models and apply them to particular scenarios.
- Make macro-economic policy recommendations given different economic scenarios.

Final Examination

Due: **University Examination Period**

Weighting: **40%**

The final examination will concentrate on the material covered in Weeks 8-13. Since the material covered in weeks 8-13 builds upon the material in weeks 1-6, some of this earlier material is addressed in the final exam. The examination will be 2 hours writing time plus ten minutes reading time.

On successful completion you will be able to:

- Illustrate fluctuations in output and employment using economic models and apply them to particular scenarios.
- Evaluate and illustrate the instruments available to governments and central banks to manage the economy.
- Illustrate the economic relationships a country has with the rest of the world.
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Delivery and Resources

DELIVERY OF MATERIAL

Classes in ECON110 are composed of lectures and tutorials. Unit content is addressed by attending lectures and participating in tutorials and through independent learning. The lectures provide a general overview of the topics highlighting concepts and techniques. Tutorials complement lectures by providing opportunities to further explore the concepts and techniques initially introduced in lectures.

LECTURES

Students should attend the two-hour lecture every week. Lecture slides will be available prior to the lecture on the ECON110 iLearn site. The lecture will also be recorded and available via iLearn.

Monday 12.00-2.00 p.m. W6D Lotus Theatre

Monday 6.00-8.00 p.m. E7BT4 Theatre

You may also be expected to watch a short video prior to attending the lecture. These videos will typically cover technical concepts addressed in the unit. This medium allows you to watch at a pace that is suitable to your individual learning. We strongly encourage you to watch these videos prior to attending the lecture, as this will enhance your learning experience.

TUTORIALS

Each student must register for a tutorial. Students must finalize their tutorial enrollment by end of week 2. The timetable for classes for ECON110 is on the university's website at: <http://www.timetables.mq.edu.au/>.

Tutorial changes can **ONLY** be made through e-student. Students wishing to change tutorial times should log onto e-student and register in a class where there is a vacancy. All questions of an administrative nature in respect of tutorial allocation should be addressed to the Unit Administrator, Dr. Onur Ates. He can be contacted via email which can be accessed on the ECON110 iLearn site. Other staff members will not deal with administration issues.

There will be a one-hour tutorial in weeks 2-7 and weeks 9-13.

Make good use of the tutorial time, using both your peers and tutor to assist you in understanding the material under discussion.

NON-CLASS ROOM LEARNING

This is about learning by doing; for each face-to-face hour of teaching in any week, you should expect to do 3 hours at-home study.

ECON110, as do other university units, relies heavily on independent learning. This includes reading the textbook, accessing and utilizing the online content associated with the textbook, completing the weekly online quizzes and discussing and working on the tutorial program. You will also be provided with videos, podcasts and other material to assist you in your understanding of the material discussed in ECON110. These additional materials may be used as a component of your assessment.

REQUIRED TEXTBOOK AND ONLINE PLATFORM

Bruce Littleboy, John Taylor & Akila Weerapana (2013) "Macroeconomics: Principles and Practice," Cengage Learning Australia Pty Limited.

This book covers the majority of the content of the unit. The textbook has an associated online learning platform that you should utilize. The link to the website and its associated content will be placed on iLearn.

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

TECHNOLOGY AND ASSOCIATED MATERIALS

UNIT WEB PAGE (iLearn)

- Course material is available on the ECON110 iLearn site
- This can be accessed via Macquarie University's website

The following information will be available on iLearn:

- Lecture slides
- Tutorial questions
- Links to podcasts and videos
- Link to the online content associated with the textbook
- Announcements
- Consultation times & locations
- Any other information pertinent to ECON110

You must regularly visit the website and use it as a resource centre to assist with your learning. All notifications and information that is not included in the Unit Guide will be posted on iLearn.

INTERACTIVE TECHNOLOGY FOR LECTURES (CLICKERS)

Go to the following website and create a student account.

<http://socrative.com/>

You will need to setup your account using the following room name

ECON110

This software can be used on your phone, tablet or computer. This will allow you to answer questions in the lecture, see other student responses and allow the lecturer to provide immediate feedback.

PODCASTS

We will sometimes be using podcasts, particularly as part of the tutorial program. You will need to download a podcast app that is appropriate for your device. We will sometimes use podcasts from <http://www.npr.org/blogs/money/>. These podcasts can also be found on iTunes.

PRIZE FOR ECON110

The Westpac Macroeconomics Prize. This prize is open to all students enrolled in a Bachelor Degree. It is awarded for the best academic performance in ECON110 for 2015.

Unit Schedule

LECTURE OUTLINE		
WEEKS	TOPICS	CHAPTERS
Week 1	Introduction to Macroeconomics	Ch.1-2
Week 2	Measuring Gross Domestic Product, Inflation & National Savings	Ch.3
Week 3	Unemployment & Other Labour Market Indicators	Ch.5
Week 4	Money, Banks & Inflation	Ch.6
Week 5	Long-Term Economic Growth & Economic Fluctuations (Part 1)	Ch.4 & 7
Week 6	Economic Fluctuations (Part 1 con't) & Aggregate Expenditure Model	Ch.8 & 9
Week 7	MID-SESSION EXAM	
Week 8	Aggregate Demand (AD)-Aggregate Supply (AS) Model (Economic Fluctuations Part 2)	Ch.10
Week 9	Monetary Policy & Aggregate Demand (AD)-Aggregate Supply (AS) Model (Economic Fluctuations Part 2 con't)	Ch.11
Week 10	Fiscal Policy	Ch.12-13
Week 11	Balance of Payments & Exchange Rates	Ch.14
Week 12	Economic Development	Ch. 16

There may be some changes in the timing of the topics. If there are any changes you will be advised on iLearn and in lectures.

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/

Results

Results shown in *iLearn*, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in [eStudent](#). For more information visit ask.mq.edu.au.

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 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

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.

Graduate Capabilities

Discipline Specific Knowledge and Skills

Our graduates will take with them the intellectual development, depth and breadth of knowledge, scholarly understanding, and specific subject content in their chosen fields to make them competent and confident in their subject or profession. They will be able to demonstrate, where relevant, professional technical competence and meet professional standards. They will be able to articulate the structure of knowledge of their discipline, be able to adapt discipline-specific knowledge to novel situations, and be able to contribute from their discipline to inter-disciplinary solutions to problems.

This graduate capability is supported by:

Learning outcomes

- Recognize and compute basic economic variables, such as GDP, inflation, savings and unemployment.
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- Make macro-economic policy recommendations given different economic scenarios.

Assessment tasks

- Tutorial Questions & Quizzes

- In-Class Test
- Final Examination

Critical, Analytical and Integrative Thinking

We want our graduates to be capable of reasoning, questioning and analysing, and to integrate and synthesise learning and knowledge from a range of sources and environments; to be able to critique constraints, assumptions and limitations; to be able to think independently and systemically in relation to scholarly activity, in the workplace, and in the world. We want them to have a level of scientific and information technology literacy.

This graduate capability is supported by:

Learning outcomes

- Identify the role of money, banks and illustrate the credit creation process.
- Illustrate fluctuations in output and employment using economic models and apply them to particular scenarios.
- Evaluate and illustrate the instruments available to governments and central banks to manage the economy.
- Illustrate the economic relationships a country has with the rest of the world.
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Assessment tasks

- Tutorial Questions & Quizzes
- In-Class Test
- Final Examination

Problem Solving and Research Capability

Our graduates should be capable of researching; of analysing, and interpreting and assessing data and information in various forms; of drawing connections across fields of knowledge; and they should be able to relate their knowledge to complex situations at work or in the world, in order to diagnose and solve problems. We want them to have the confidence to take the initiative in doing so, within an awareness of their own limitations.

This graduate capability is supported by:

Learning outcomes

- Identify the role of money, banks and illustrate the credit creation process.
- Illustrate fluctuations in output and employment using economic models and apply them to particular scenarios.
- Evaluate and illustrate the instruments available to governments and central banks to manage the economy.

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