



# ECON864

## Mathematical Economics

S2 Evening 2017

*Dept of Economics*

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## General Information

Unit convenor and teaching staff

Unit Convenor

Edwin Franks

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E4A 421

Available on iLearn

Credit points

4

Prerequisites

4cp in ACCG or ACST or BUS or ECON or MKTG units at 600 level

Corequisites

Co-badged status

ECON764

Unit description

This unit is concerned with the mathematical techniques to problems of economic theory and policy. The theoretical section will deal with dynamics and comparative statistics. The use of difference and differential equations in the analysis of trade cycles and economic growth will be the main concern of the dynamics component while the comparative statistics section deals with optimisation techniques and the stability requirements that are obtained from the dynamic analysis.

## 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:

Apply linear algebra techniques to determine equilibrium outcomes to macroeconomic models.

Use the technique of Lagrange multipliers to solve problems in consumer and producer theory.

Apply calculus and linear algebra to calculate the comparative statics determined by an

economic model.

Understand the theory which underlies the techniques learned.

## Assessment Tasks

| Name                              | Weighting | Hurdle | Due              |
|-----------------------------------|-----------|--------|------------------|
| <a href="#">Quiz</a>              | 10%       | No     | 1 September 2017 |
| <a href="#">Mid-Semester Test</a> | 20%       | No     | 11 October 2017  |
| <a href="#">Assignment</a>        | 20%       | No     | 27 October 2017  |
| <a href="#">Final Exam</a>        | 50%       | No     | Exam Period      |

### Quiz

Due: **1 September 2017**

Weighting: **10%**

Description

This is an online quiz which helps students check their understanding of the material in the first five weeks.

Extension

There will be no extensions. In the case of unavoidable circumstances students and a successful application under the Disruption to Studies a supplementary online quiz will be given.

On successful completion you will be able to:

- Apply linear algebra techniques to determine equilibrium outcomes to macroeconomic models.
- Understand the theory which underlies the techniques learned.

### Mid-Semester Test

Due: **11 October 2017**

Weighting: **20%**

Description

This test covers the models and techniques given in the first part of ECON864. It also prepares students for the format and difficulty of the final exam.

Submission

The test will be held during lecture during week 9, 11 October 2017.

Extension

There will be no extensions. In the case of unavoidable circumstances students and a successful application under the Disruption to Studies a supplementary mid-semester test will be given.

### Collecting Marked Tests

Marked tests will be available for collection by the end of week 11 and solutions will be available online.

On successful completion you will be able to:

- Apply linear algebra techniques to determine equilibrium outcomes to macroeconomic models.
- Apply calculus and linear algebra to calculate the comparative statics determined by an economic model.

## Assignment

Due: **27 October 2017**

Weighting: **20%**

### Description

This assignment gives a selection of problems based mainly on those from the textbook. It covers all the material included in ECON864.

### Submission

The assignment has to be handed in at by 4:30pm Friday 27 October 2017 either in class or at the postgraduate office on level 2 of building E4A.

### Extension

No extensions will be granted. There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission – 20% penalty). This penalty does not apply for cases in which an application for disruption to studies is made and approved. No submission will be accepted after solutions have been posted.

### Collecting Marked Assignments

Marked assignments will be available for collection by the end of week 13 and solutions will be available online. Late submissions may not be marked and ready for collection until the end of week 14.

On successful completion you will be able to:

- Apply linear algebra techniques to determine equilibrium outcomes to macroeconomic models.
- Use the technique of Lagrange multipliers to solve problems in consumer and producer

theory.

- Apply calculus and linear algebra to calculate the comparative statics determined by an economic model.
- Understand the theory which underlies the techniques learned.

## Final Exam

Due: **Exam Period**

Weighting: **50%**

Description

This examination covers the models and techniques given in throughout ECON864.

Submission

The test will be held during lecture during the university exam period.

Extension

There will be no extensions. In the case of unavoidable circumstances students and a successful application under the Disruption to Studies a supplementary final exam will be given.

On successful completion you will be able to:

- Apply linear algebra techniques to determine equilibrium outcomes to macroeconomic models.
- Use the technique of Lagrange multipliers to solve problems in consumer and producer theory.
- Apply calculus and linear algebra to calculate the comparative statics determined by an economic model.

## Delivery and Resources

**CLASSES:**

The unit has 3 hours face-to-face teaching per week. The class meeting will be held on Tuesdays from 6 to 9 p.m.

**Required and Recommended Texts and/or Materials Textbook:**

Two textbooks will be used, Alpha C. Chiang and Kevin Wainwright, *Fundamental Methods of Mathematical Economics* and *Introduction to mathematical economics* by Edward T. Dowling. The latter is a Schaum's outline and contains many worked examples.

Useful additional references include a calculus book such as Stewart's *Calculus* and a linear algebra book such as Anton's *Elementary linear algebra* may also be useful as a reference. There is also a linear algebra textbook which can be downloaded from <http://joshua.smcvt.edu/>

linearalgebra/

## 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\\_2016.html](http://mq.edu.au/policy/docs/assessment/policy_2016.html)

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

Complaint Management Procedure for Students and Members of the Public [http://www.mq.edu.au/policy/docs/complaint\\_management/procedure.html](http://www.mq.edu.au/policy/docs/complaint_management/procedure.html)

Disruption to Studies Policy (in effect until Dec 4th, 2017): [http://www.mq.edu.au/policy/docs/disruption\\_studies/policy.html](http://www.mq.edu.au/policy/docs/disruption_studies/policy.html)

Special Consideration Policy (in effect from Dec 4th, 2017): <https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/special-consideration>

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/)

## 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](http://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](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 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://www.mq.edu.au/about\\_us/offices\\_and\\_units/information\\_technology/help/](http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/).

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

## Graduate Capabilities

### PG - Discipline Knowledge and Skills

Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen fields.

This graduate capability is supported by:

#### Learning outcomes

- Apply linear algebra techniques to determine equilibrium outcomes to macroeconomic models.
- Use the technique of Lagrange multipliers to solve problems in consumer and producer theory.
- Apply calculus and linear algebra to calculate the comparative statics determined by an economic model.

#### Assessment tasks

- Mid-Semester Test
- Assignment
- Final Exam

### PG - Critical, Analytical and Integrative Thinking

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

## **Learning outcomes**

- Apply linear algebra techniques to determine equilibrium outcomes to macroeconomic models.
- Use the technique of Lagrange multipliers to solve problems in consumer and producer theory.
- Apply calculus and linear algebra to calculate the comparative statics determined by an economic model.
- Understand the theory which underlies the techniques learned.

## **Assessment tasks**

- Quiz
- Mid-Semester Test
- Assignment
- Final Exam

## **PG - Research and Problem Solving Capability**

Our postgraduates will be capable of systematic enquiry; able to use research skills to create new knowledge that can be applied to real world issues, or contribute to a field of study or practice to enhance society. They will be capable of creative questioning, problem finding and problem solving.

This graduate capability is supported by:

## **Learning outcomes**

- Apply linear algebra techniques to determine equilibrium outcomes to macroeconomic models.
- Use the technique of Lagrange multipliers to solve problems in consumer and producer theory.
- Apply calculus and linear algebra to calculate the comparative statics determined by an economic model.
- Understand the theory which underlies the techniques learned.

## **Assessment tasks**

- Mid-Semester Test
- Assignment
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