



# ECON203

## Microeconomic Analysis

S1 Evening 2019

*Dept of Economics*

### Contents

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<u>General Information</u>	2
<u>Learning Outcomes</u>	2
<u>General Assessment Information</u>	3
<u>Assessment Tasks</u>	3
<u>Delivery and Resources</u>	6
<u>Unit Schedule</u>	7
<u>Policies and Procedures</u>	8
<u>Graduate Capabilities</u>	10

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#### **Disclaimer**

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## General Information

Unit convenor and teaching staff

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Credit points

3

Prerequisites

15cp at 100 level or above including ECON111

Corequisites

Co-badged status

Unit description

This is an intermediate-level unit in theoretical and applied microeconomics. Topics include: consumer choice and the theory of demand; consumer welfare measurement; labour supply; intertemporal consumption; choice under uncertainty; theory of the firm; production and cost theory; profit maximisation; perfect competition; monopoly; oligopoly; game theory; and general equilibrium.

## 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:

Knowledge and Understanding: Demonstrate recognition of how principles of microeconomics are relevant in understanding decision-making by economic agents.

Problem solving and critical thinking: Display creativity and critical thinking and the ability to apply theoretical understanding of microeconomics to real life economic problems.

Analytical skills: Evidence competence in the solution and interpretation of models in

microeconomics.

Ethics: Exhibit the ability to evaluate economic theory and real world applications in the context of equity considerations.

Communication: Develop communication skills to effectively demonstrate the understanding of economic ideas, including the presentation of both quantitative and visual material.

## General Assessment Information

More detailed information on assessment tasks and expectations will be supplied via iLearn. All submissions in ECON203 will be electronic, via iLearn.

## Assessment Tasks

Name	Weighting	Hurdle	Due
<a href="#">Tutorial participation</a>	5%	No	Weekly
<a href="#">Online quizzes</a>	15%	No	Weeks 5, 9, 13
<a href="#">Individual Assignments</a>	30%	No	Weeks 6, 12
<a href="#">Final exam</a>	50%	No	Exam period

### Tutorial participation

Due: **Weekly**

Weighting: **5%**

Tutorial participation is expected throughout the session. You will have many opportunities to participate in both small and large group activities. Your tutor will record your participation throughout the session to provide an overall mark for this component of the assessment. In order to get full marks for this component of the tutorial assessment, you need to demonstrate active participation in at least 10 tutorials throughout the session. Further details relating to tutorial participation are available in the participation rubric on iLearn.

#### ***What happens if I miss a tutorial?***

*We recognise that from time-to-time other commitments may result in you missing a tutorial.*

*Therefore, we have designed this assessment to allow you an opportunity to achieve full marks (5% of your final grade) providing you participate in at least 10 (of 12) tutorials. That is, you may miss up to two tutorials without penalty.*

*If you have a valid reason that prevents you from attending at least 10 tutorials throughout the session you may submit an application under the Special Consideration Policy. If your application is successful your participation mark will be adjusted accordingly.*

On successful completion you will be able to:

- Knowledge and Understanding: Demonstrate recognition of how principles of microeconomics are relevant in understanding decision-making by economic agents.
- Problem solving and critical thinking: Display creativity and critical thinking and the ability to apply theoretical understanding of microeconomics to real life economic problems.
- Analytical skills: Evidence competence in the solution and interpretation of models in microeconomics.
- Communication: Develop communication skills to effectively demonstrate the understanding of economic ideas, including the presentation of both quantitative and visual material.

## Online quizzes

Due: **Weeks 5, 9, 13**

Weighting: **15%**

There will be three online quizzes conducted throughout the session. These will be held during teaching weeks 5, 9 and 13.

The first online quiz will cover lecture material from weeks 1-4, the second online quiz will cover lecture material from weeks 5-8, and the third online quiz will cover lecture material from weeks 9-12.

**During quiz weeks, quizzes will be released on iLearn at 9am on Monday and close at 5pm the following Sunday.**

Please note that no extensions will be granted. Failure to complete any quiz will result in a zero mark for that quiz.

If students undertake a quiz off-campus, it is their responsibility to ensure the compatibility of the software they use with that of the university. Technical failures that occur when a quiz is done off-campus cannot be verified by the university and will result in a mark of zero for that quiz.

### ***What happens if I miss a quiz?***

*If you have a valid reason that prevents you from attempting an online quiz you may submit an application under the Special Consideration Policy. If your application is successful your marks from the remaining online quizzes will be adjusted accordingly.*

On successful completion you will be able to:

- Knowledge and Understanding: Demonstrate recognition of how principles of microeconomics are relevant in understanding decision-making by economic agents.
- Problem solving and critical thinking: Display creativity and critical thinking and the ability to apply theoretical understanding of microeconomics to real life economic problems.

- Analytical skills: Evidence competence in the solution and interpretation of models in microeconomics.

## Individual Assignments

Due: **Weeks 6, 12**

Weighting: **30%**

There will be two **individual assignments** to be completed during the session. The first assignment is due by **3pm on Friday 5th of April (Week 6)** and the second assignment is due by **3pm on Friday 31st of May (Week 12)**.

The assignments are to be **submitted via Turnitin** through iLearn. The emphasis in the assignments will be on using economic theory and reasoning to demonstrate the graduate capability related to 'ethical thinking'. The assignments will be in the form of written essays (1000 words each) and worth 30% of your final mark in this unit.

The first assignment will be available on iLearn in week 2 and the second assignment will be available in week 8. Please note that no extensions will be granted. Late assignments will be accepted up to 96 hours after the submission deadline. There will be a deduction of 20% 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 means a 40% penalty).

*All students who apply for Special Consideration in relation to an assignment will be given an extension if the application is approved. Please consult the Special Considerations Policy.*

On successful completion you will be able to:

- Knowledge and Understanding: Demonstrate recognition of how principles of microeconomics are relevant in understanding decision-making by economic agents.
- Ethics: Exhibit the ability to evaluate economic theory and real world applications in the context of equity considerations.
- Communication: Develop communication skills to effectively demonstrate the understanding of economic ideas, including the presentation of both quantitative and visual material.

## Final exam

Due: **Exam period**

Weighting: **50%**

End of unit two hour written examination, to be taken during the end of session examination period. The examination will cover material drawn from all parts of the unit's subject matter. The exam will consist of multiple choice questions and written-answer questions.

***What happens if I miss the final exam?***

*All students who apply for Special Consideration for the final exam will be required to sit a*

*supplementary examination, if the application is approved. Please note that the supplementary examination may have a different format to the original exam. It is reasonable to point out that because students who sit the supplementary examination usually have much longer to prepare for their examination, the supplementary examination will be more difficult and marked at a higher level than the original examination.*

On successful completion you will be able to:

- Knowledge and Understanding: Demonstrate recognition of how principles of microeconomics are relevant in understanding decision-making by economic agents.
- Problem solving and critical thinking: Display creativity and critical thinking and the ability to apply theoretical understanding of microeconomics to real life economic problems.
- Analytical skills: Evidence competence in the solution and interpretation of models in microeconomics.
- Communication: Develop communication skills to effectively demonstrate the understanding of economic ideas, including the presentation of both quantitative and visual material.

## **Delivery and Resources**

### **Prescribed textbook**

Students are recommended to purchase the following textbook:

- Goolsbee, A, Levitt, S.. & Syverson, C, (2016) *Microeconomics (2nd Ed.)*, Macmillan.

The text is available for purchase at Co-op Bookshop or may be purchased as an e-book (<http://www.vitalsource.com/en-au/products/microeconomics-austan-goalsbee-steven-v9781319136628?term=goalsbee>).

The publisher also provides additional resources through 'Launchpad', an online site that includes the e-book and various other resources (practice tests, etc). If you have purchased an access code for Launchpad, you should go to the website <http://www.macmillanhigherred.com/launchpad/gls2e/10291617> and enroll in the online course. Please note, this is an extra resource and it is NOT required for the unit. It is entirely optional whether or not you wish to purchase these extra resources. More information about Launchpad is provided in the introduction to the text.

### **Additional references (in alphabetical order)**

Apart from the prescribed textbook, students may find the following resources useful.

- Frank, R.H. (2010), *Microeconomics and Behavior* (8th Ed), Boston: McGraw-Hill.
- Nechyba, T.J. (2011), *Microeconomics: An Intuitive Approach with Calculus* (1st Ed), South-Western.

- Perloff, J.M. (2016) Microeconomics (7th Ed), Pearson
- Pindyck R.S. and Rubinfeld D.L. (2013), Microeconomics (8th Ed), Pearson International Edition.
- Varian, H.R. (2014), Intermediate Microeconomics: A Modern Approach (9th Ed), New York: Norton.

For equity concerns, the library has assisted ECON203 with placing scanned resources from a variety of resources on the library's e-Reserve website. If you are facing financial difficulties in obtaining a textbook, this could be an option for you.

### Technology used and required

The unit uses the learning management system (iLearn) that can be accessed via [iLearn.mq.edu.au](http://iLearn.mq.edu.au). The lecture slides for each week's lecture will be posted on iLearn by 5pm Friday each week before the lecture.

The iLearn site is also used to post important notices. You should check this regularly. The iLearn web page has the facility to allow peer to peer discussion and also allows students to put questions to an Online-Tutor. The Online-Tutor will attempt to answer your questions in a timely manner.

### Learning and teaching activities

This unit is taught as a mix of tutorials and lectures. The lectures are designed to provide the tools which can then be applied in tutorials.

#### Lectures – large group learning (2 hours for each topic)

Lectures are intended to provide an overview of the key concepts explored in the unit. Students are expected to read the relevant chapter(s) before each lecture. ECON203 relies heavily on independent learning where students read the relevant chapter(s), revise lecture notes and prepare answers to the tutorial questions.

#### Tutorials – small group learning (1 hour for each topic)

Tutorials constitute a critical learning experience of this unit and students must attend. Group work is an essential part of this learning. In ECON203 we emphasise peer-to-peer learning by working as a group through the exercises and learning from others. Your tutor's role is to help you understand the material. Ask your tutor for guidance on how to approach questions and problems. Brief tutorial solutions will be posted on iLearn after completion of all classes of each week.

#### PAL, Peer Assisted Learning (1 hour for each topic)

Revision of the material from both lectures and tutorials.

## Unit Schedule

Week	Lecture topic	Reading*	Assessment
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1	Introduction; supply and demand revision	Ch 2, 3	
2	Consumer behaviour	Ch 4	
3	Individual and market demand	Ch 5	
4	Producer behaviour; costs	Ch 6, 7	
5	Perfect competition; monopoly	Ch 8, 9	Online quiz 1
6	Pricing strategies for firms with market power	Ch 10	Assignment 1
7	Imperfect competition	Ch 11	
	<i>Mid-session break</i>		
8	Game theory	Ch 12	
9	Factor markets	Ch 13	Online quiz 2
10	Investment, time, and insurance	Ch 14	
11	General equilibrium	Ch 15	
12	General equilibrium (cont.); asymmetric information	Ch 15,16	Assignment 2
13	Revision		Online quiz 3

\*All readings relate to Goolsbee, Levitt, and Syverson, *Microeconomics (2nd Ed.)*

## Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central \(https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central\)](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central). Students should be aware of the following policies in particular with regard to Learning and Teaching:

- [Academic Appeals Policy](#)
- [Academic Integrity Policy](#)
- [Academic Progression Policy](#)
- [Assessment Policy](#)
- [Fitness to Practice Procedure](#)
- [Grade Appeal Policy](#)
- [Complaint Management Procedure for Students and Members of the Public](#)



- [Special Consideration Policy](#) (**Note:** *The Special Consideration Policy is effective from 4 December 2017 and replaces the Disruption to Studies Policy.*)

Undergraduate students seeking more policy resources can visit the [Student Policy Gateway](https://students.mq.edu.au/support/study/student-policy-gateway) (<https://students.mq.edu.au/support/study/student-policy-gateway>). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

If you would like to see all the policies relevant to Learning and Teaching visit [Policy Central](http://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central) (<http://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/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/study/getting-started/student-conduct>

## Results

Results published on platform other than [eStudent](#), (eg. iLearn, Coursera etc.) 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) or if you are a Global MBA student contact [globalmba.support@mq.edu.au](mailto:globalmba.support@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)

If you are a Global MBA student contact [globalmba.support@mq.edu.au](mailto:globalmba.support@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

### 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 outcome

- Knowledge and Understanding: Demonstrate recognition of how principles of microeconomics are relevant in understanding decision-making by economic agents.

#### Assessment tasks

- Tutorial participation
- Online quizzes
- Individual Assignments
- Final exam

### 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

- Problem solving and critical thinking: Display creativity and critical thinking and the ability to apply theoretical understanding of microeconomics to real life economic problems.
- Analytical skills: Evidence competence in the solution and interpretation of models in

microeconomics.

## Assessment tasks

- Tutorial participation
- Online quizzes
- Final exam

## Effective Communication

We want to develop in our students the ability to communicate and convey their views in forms effective with different audiences. We want our graduates to take with them the capability to read, listen, question, gather and evaluate information resources in a variety of formats, assess, write clearly, speak effectively, and to use visual communication and communication technologies as appropriate.

This graduate capability is supported by:

## Learning outcome

- Communication: Develop communication skills to effectively demonstrate the understanding of economic ideas, including the presentation of both quantitative and visual material.

## Assessment tasks

- Tutorial participation
- Individual Assignments
- Final exam

## Engaged and Ethical Local and Global citizens

As local citizens our graduates will be aware of indigenous perspectives and of the nation's historical context. They will be engaged with the challenges of contemporary society and with knowledge and ideas. We want our graduates to have respect for diversity, to be open-minded, sensitive to others and inclusive, and to be open to other cultures and perspectives: they should have a level of cultural literacy. Our graduates should be aware of disadvantage and social justice, and be willing to participate to help create a wiser and better society.

This graduate capability is supported by:

## Learning outcome

- Ethics: Exhibit the ability to evaluate economic theory and real world applications in the context of equity considerations.

## Assessment task

- Individual Assignments