



# ECON632

## Intermediate Microeconomics

S1 Evening 2019

*Dept of Economics*

### Contents

<u>General Information</u>	2
<u>Learning Outcomes</u>	2
<u>Assessment Tasks</u>	3
<u>Delivery and Resources</u>	4
<u>Unit Schedule</u>	5
<u>Learning and Teaching Activities</u>	7
<u>Policies and Procedures</u>	7
<u>Graduate Capabilities</u>	8

#### **Disclaimer**

Macquarie University has taken all reasonable measures to ensure the information in this publication is accurate and up-to-date. However, the information may change or become out-dated as a result of change in University policies, procedures or rules. The University reserves the right to make changes to any information in this publication without notice. Users of this publication are advised to check the website version of this publication [or the relevant faculty or department] before acting on any information in this publication.

## General Information

Unit convenor and teaching staff Lecturer Rohan Best <a href="mailto:rohan.best@mq.edu.au">rohan.best@mq.edu.au</a> 4ER 451 Consultation: Monday 12:30 - 1:30pm in teaching weeks
Credit points 4
Prerequisites Admission to MAppEcon or MCom or MAcc(Prof)MCom or MBioTechMCom or MEc
Corequisites
Co-badged status
Unit description This is an intensive analysis of the major topics in microeconomics. The unit covers the theory of consumer behaviour, the theory of production and costs, market structures (including perfect competition; monopoly; imperfect competition), factor markets, general equilibrium, game theory and elementary welfare economics. The theory is taught in an applied context.

## 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 and apply microeconomic models to various economic problems and issues.
- Identify, define and analyse problems and recommend creative solutions within real-world constraints.
- Demonstrate a capacity to work independently including the ability to plan and achieve goals.
- Critically evaluate underlying theories, concepts, assumptions and limitations.

## Assessment Tasks

Name	Weighting	Hurdle	Due
<u>Class Test</u>	20%	No	12 April 2019
<u>Review essay</u>	30%	No	Friday 31 May 2019
<u>Final Examination</u>	50%	No	University Examination Period

### Class Test

Due: **12 April 2019**

Weighting: **20%**

A 60-minute test will be held in place of the regular lecture in Week 7. From Week 2 onwards, students will work through a set of tutorial questions on the topics discussed during the lecture of the previous week (see below for topics week by week). The class test will be based primarily on questions along the lines of the tutorial questions and the lectures presented from weeks 1 to 6.

Failure to attend the class test without the submission of an application regarding Special Consideration on the grounds of illness or unavoidable mishap, together with the required supporting documentation (see the *Policies and Procedures* section for details), will result in a mark of **zero** for the assessment. Failure to attend the class test followed up by a successful Special Consideration application will ensue in an extra assessment task.

On successful completion you will be able to:

- Understand and apply microeconomic models to various economic problems and issues.
- Identify, define and analyse problems and recommend creative solutions within real-world constraints.
- Demonstrate a capacity to work independently including the ability to plan and achieve goals.
- Critically evaluate underlying theories, concepts, assumptions and limitations.

### Review essay

Due: **Friday 31 May 2019**

Weighting: **30%**

Write a 1500 word summary and evaluation of either of the two articles on microeconomics that can be found on the unit iLearn pages. A "review essay" is a summary in your own words of the article you have chosen to review, together with an appraisal of it. The appraisal component should be at least 20% of the essay. Your bibliography can be minimal.

Essays must be submitted by Friday 31 May via Turnitin (see the website for this course). Late essays will be accepted up to 72 hours after the submission deadline. There will be a deduction of 10% of the total available marks for each 24 hour period, or part thereof, that the submission is late (for example, 25 hours late in submission means a 20% penalty). This penalty does not apply for cases in which an application for Special Consideration is made and approved.

Essays will be marked out of 30 marks. Failure to submit the review essay will result in a mark of zero.

Please see iLearn for further details.

On successful completion you will be able to:

- Understand and apply microeconomic models to various economic problems and issues.
- Identify, define and analyse problems and recommend creative solutions within real-world constraints.
- Demonstrate a capacity to work independently including the ability to plan and achieve goals.
- Critically evaluate underlying theories, concepts, assumptions and limitations.

## Final Examination

Due: **University Examination Period**

Weighting: **50%**

A 2 hour final examination for this unit will be held during the University Examination Period. The conditions for the requesting and granting of requests regarding Special Consideration are set out in the Policies and Procedures section of this Unit Guide.

Further details will be discussed during lectures and available on iLearn.

On successful completion you will be able to:

- Understand and apply microeconomic models to various economic problems and issues.
- Identify, define and analyse problems and recommend creative solutions within real-world constraints.
- Demonstrate a capacity to work independently including the ability to plan and achieve goals.
- Critically evaluate underlying theories, concepts, assumptions and limitations.

## Delivery and Resources

### Classes

Lecture time and location:

Friday 6-9pm; Room 9WW 133

Please note this is subject to change and students are advised to check <https://timetables.mq.edu.au> to confirm times and venues.

This unit provides 3 hours face-to-face teaching per week consisting of lecture and tutorial components.

It is recommended that students attend all lectures.

## Required and Recommended Texts and/or Materials

### Text

Perloff, J (2018), Microeconomics, 8th edition, Global edition, Pearson Education Limited.

### Reference

Perloff, JM, (2014), Microeconomics, Theory and Applications with Calculus (3rd Ed), Pearson/Addison Wesley

### Technology Used and Required

#### Unit Web Page

Lecture and tutorial material as well as up to date information concerning any aspect of the unit, including any changes to the schedule, will be available to students by logging on to the unit web page at <http://ilearn.mq.edu.au>.

You are strongly encouraged to regularly visit the website and use it as a resource centre to assist with your learning.

## Teaching and Learning Strategy

This unit is taught as a mix of lectures and tutorials. The lectures are designed to provide the tools which can then be applied in tutorials. The tutorials comprise numerical problems and analytical questions. There should be the opportunity to explore issues raised in lectures and to ask questions. The tutorials aim to improve understanding of microeconomic theory and policy.

## Unit Schedule

### **Week 1: Introduction, supply and demand**

Perloff Chs 1, 2

### **Week 2: Applying the supply-and-demand model**

Perloff Ch 3

**Week 3: Consumer choice; applying consumer theory**

Perloff Chs 4, 5

**Week 4: Firms & production; costs**

Perloff Chs 6,7

**Week 5: Competitive firms & markets; applying the competitive model**

Perloff Chs 8, 9

**Week 6: General equilibrium and economic welfare; monopoly**

Perloff Chs 10 & 11

**Week 7: Class test**

**Week 8: Pricing & advertising, oligopoly & monopolistic competition**

Perloff Chs 12, 13

**Week 9: Game theory, factor markets**

Perloff Chs 14, 15

**Week 10: Interest rates, investments & capital markets; uncertainty**

Perloff Chs 16, 17

**Week 11: Externalities, open-access & public goods; asymmetric information**

Perloff Chs 18, 19

**Week 12: Contracts & moral hazard**

Perloff Ch 20

## Learning and Teaching Activities

### Lectures

Lectures are intended to provide overviews of the conceptual framework and economic data that are critical to the core themes of the unit. Students are expected to read the relevant chapters before each lecture.

### Independent learning

Learning by doing (about 6 hours each teaching week and 9 hours each week during the 2-week mid-semester recess). ECON632 relies heavily on independent learning where students read the relevant chapter, revise the lecture notes, prepare answers to the tutorial questions and extend themselves by doing additional reading, questions, exercises, problems. □

## 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](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>).

## 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](https://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](https://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](https://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 outcomes**

- Understand and apply microeconomic models to various economic problems and issues.
- Identify, define and analyse problems and recommend creative solutions within real-world constraints.
- Demonstrate a capacity to work independently including the ability to plan and achieve goals.
- Critically evaluate underlying theories, concepts, assumptions and limitations.

## **Assessment tasks**

- Class Test
- Review essay
- Final Examination

## **Learning and teaching activities**

- Lectures are intended to provide overviews of the conceptual framework and economic data that are critical to the core themes of the unit. Students are expected to read the relevant chapters before each lecture.
- Learning by doing (about 6 hours each teaching week and 9 hours each week during the 2-week mid-semester recess). ECON632 relies heavily on independent learning where students read the relevant chapter, revise the lecture notes, prepare answers to the tutorial questions and extend themselves by doing additional reading, questions, exercises, problems.□

## **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, define and analyse problems and recommend creative solutions within real-world constraints.

- Demonstrate a capacity to work independently including the ability to plan and achieve goals.
- Critically evaluate underlying theories, concepts, assumptions and limitations.

## **Assessment tasks**

- Class Test
- Review essay
- Final Examination

## **Learning and teaching activities**

- Lectures are intended to provide overviews of the conceptual framework and economic data that are critical to the core themes of the unit. Students are expected to read the relevant chapters before each lecture.
- Learning by doing (about 6 hours each teaching week and 9 hours each week during the 2-week mid-semester recess). ECON632 relies heavily on independent learning where students read the relevant chapter, revise the lecture notes, prepare answers to the tutorial questions and extend themselves by doing additional reading, questions, exercises, problems.□

## **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**

- Understand and apply microeconomic models to various economic problems and issues.
- Identify, define and analyse problems and recommend creative solutions within real-world constraints.
- Demonstrate a capacity to work independently including the ability to plan and achieve goals.
- Critically evaluate underlying theories, concepts, assumptions and limitations.

## **Assessment tasks**

- Class Test
- Review essay
- Final Examination

## **Learning and teaching activities**

- Learning by doing (about 6 hours each teaching week and 9 hours each week during the 2-week mid-semester recess). ECON632 relies heavily on independent learning where students read the relevant chapter, revise the lecture notes, prepare answers to the tutorial questions and extend themselves by doing additional reading, questions, exercises, problems.□