ECON3011
Macroeconomic Policy
Session 2, In person-scheduled-weekday, North Ryde 2022
Department of Economics

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Unit convenor and teaching staff
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Credit points
10

Prerequisites
20cp at 2000 level including ECON204 or ECON2004

Corequisites

Co-badged status

Unit description
This unit develops macroeconomic models with a focus on key contemporary issues such as persistent low inflation, interest rates, secular stagnation, alternative monetary policy frameworks, fiscal policy constraints, understanding financial crises, financial regulation and cryptocurrencies. Students will develop an understanding of the reasons for these problems, and how key policy institutions such as the RBA, APRA and Treasury are addressing them.

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:

ULO1: Analyse and explain macroeconomic policy in a general framework.
ULO2: Appraise how monetary and fiscal policies are determined in the context of the current economic environment.
ULO3: Critically evaluate the effectiveness of current macroeconomic policy in achieving stated goals.

General Assessment Information
Late Assessment Submission Penalty (written assessments)
Unless a Special Consideration request has been submitted and approved, a 5% penalty (of the total possible mark) will be applied each day a written assessment is not submitted, up until the...
7th day (including weekends). After the 7th day, a grade of ‘0’ will be awarded even if the assessment is submitted. Submission time for all written assessments is set at 11.55pm. A 1-hour grace period is provided to students who experience a technical concern.

For any late submissions of time-sensitive tasks, such as scheduled tests/exams, performance assessments/presentations, and/or scheduled practical assessments/labs, students need to submit an application for Special Consideration.

**Assessment Tasks**

<table>
<thead>
<tr>
<th>Name</th>
<th>Weighting</th>
<th>Hurdle</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-session class test</td>
<td>25%</td>
<td>No</td>
<td>Week 7</td>
</tr>
<tr>
<td>Essay assignment</td>
<td>20%</td>
<td>No</td>
<td>Week 10</td>
</tr>
<tr>
<td>Participation</td>
<td>5%</td>
<td>No</td>
<td>Week 1- Week 13</td>
</tr>
<tr>
<td>Final examination</td>
<td>50%</td>
<td>No</td>
<td>University Examination Period</td>
</tr>
</tbody>
</table>

**Mid-session class test**

Assessment Type 1: Quiz/Test  
Indicative Time on Task 2: 15 hours  
Due: **Week 7**  
Weighting: **25%**

The 80 minute online class test will be based on the lecture material and exercises covered in weeks 1 to 6.

On successful completion you will be able to:

- Analyse and explain macroeconomic policy in a general framework.
- Appraise how monetary and fiscal policies are determined in the context of the current economic environment.

**Essay assignment**

Assessment Type 1: Report  
Indicative Time on Task 2: 20 hours  
Due: **Week 10**  
Weighting: **20%**

Provide an answer to questions of an analytical nature and/or write a short essay/report which
might require the use of Australian data.

On successful completion you will be able to:

- Appraise how monetary and fiscal policies are determined in the context of the current economic environment.
- Critically evaluate the effectiveness of current macroeconomic policy in achieving stated goals.

**Participation**

Assessment Type 1: Participatory task  
Indicative Time on Task 2: 0 hours  
Due: **Week 1- Week 13**  
Weighting: 5%

Students are expected to participate in live seminars and the forum

On successful completion you will be able to:

- Analyse and explain macroeconomic policy in a general framework.
- Appraise how monetary and fiscal policies are determined in the context of the current economic environment.

**Final examination**

Assessment Type 1: Examination  
Indicative Time on Task 2: 35 hours  
Due: **University Examination Period**  
Weighting: 50%

A two-hour open book examination will be held during the University Examination Period, and will be on based on material covered in lectures from weeks 1 to 13 (inclusive), with an emphasis on material presented after the class test.

On successful completion you will be able to:

- Appraise how monetary and fiscal policies are determined in the context of the current economic environment.
• Critically evaluate the effectiveness of current macroeconomic policy in achieving stated goals.

1 If you need help with your assignment, please contact:
  • the academic teaching staff in your unit for guidance in understanding or completing this type of assessment
  • the Writing Centre for academic skills support.

2 Indicative time-on-task is an estimate of the time required for completion of the assessment task and is subject to individual variation

Delivery and Resources

Classes
There will be a pre-recorded lecture posted on iLearn each Friday. There will be a 1.5 hour live session each Friday. The timetable for classes can be found on the University web site at: https://timetables.mq.edu.au/2022/

Prizes
VICTOR ARGY PRIZE FOR ECON3011
This prize commemorates Victor Argy who was Professor of Economics at Macquarie University from 1973 until his death in 1993. The prize, to the value of $350, is awarded for proficiency in ECON3011 and is open to all candidates proceeding to the degree of Bachelor.

Required and Recommended Texts and/or Materials
The prescribed text for the unit is:


Up-to-date commentaries and data on the Australian economy can be found in the following:


Data relating to Australia and other countries are also available on the Internet. Useful sites include the following:

• ABS Time Series Service: http://www.abs.gov.au
• Budget Papers for Australia: http://www.treasury.gov.au/
• Reserve Bank of Australia: http://www.rba.gov.au
• National Bureau of Economic Research: http://www.nber.org/
Unit Web Page

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

The following information will be available on iLearn:

<table>
<thead>
<tr>
<th>Unit Outline</th>
<th>Announcements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lecture slides and exercises</td>
<td>Lecture exercises solutions</td>
</tr>
<tr>
<td>Information on Assessments</td>
<td>Contact details</td>
</tr>
<tr>
<td>Consultation hours</td>
<td>Other relevant material</td>
</tr>
</tbody>
</table>

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

Unit Schedule

Unit Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Lecture</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Trends and Cycles in Macroeconomic Data. Economic Shocks and Short-Run Fluctuations in Economic Activity.</td>
</tr>
<tr>
<td>2</td>
<td>Contemporary Monetary Policy. The Operating Procedures of the Reserve Bank of Australia and Inflation Targeting.</td>
</tr>
<tr>
<td>4</td>
<td>The Global Financial Crisis.</td>
</tr>
<tr>
<td>5</td>
<td>Financial Crises (taught by David Orsmond).</td>
</tr>
<tr>
<td>6</td>
<td>Financial Regulation (taught by David Orsmond).</td>
</tr>
<tr>
<td>7</td>
<td>Class Test</td>
</tr>
<tr>
<td></td>
<td>Mid-session Break</td>
</tr>
<tr>
<td>8</td>
<td>Consumption.</td>
</tr>
<tr>
<td>10</td>
<td>Exchange Rate Regimes and Macroeconomic Policy.</td>
</tr>
<tr>
<td></td>
<td>Assignment is due</td>
</tr>
</tbody>
</table>
Policies and Procedures
Macquarie University policies and procedures are accessible from Policy Central (https://policies.mq.edu.au). 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
- Assessment Procedure
- Complaints Resolution Procedure for Students and Members of the Public
- Special Consideration Policy

Students seeking more policy resources can visit Student Policies (https://students.mq.edu.au/support/study/policies). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

To find other policies relating to Teaching and Learning, visit Policy Central (https://policies.mq.edu.au) and use the search tool.

Student Code of Conduct
Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/admin/other-resources/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 or if you are a Global MBA student contact globalmba.support@mq.edu.au

Academic Integrity
At Macquarie, we believe academic integrity – honesty, respect, trust, responsibility, fairness and courage – is at the core of learning, teaching and research. We recognise that meeting the
expectations required to complete your assessments can be challenging. So, we offer you a range of resources and services to help you reach your potential, including free online writing and maths support, academic skills development and wellbeing consultations.

Student Support

Macquarie University provides a range of support services for students. For details, visit [http://students.mq.edu.au/support/](http://students.mq.edu.au/support/)

**The Writing Centre**

The Writing Centre provides resources to develop your English language proficiency, academic writing, and communication skills.

- Workshops
- Chat with a WriteWISE peer writing leader
- Access StudyWISE
- Upload an assignment to Studiosity
- Complete the Academic Integrity Module

The Library provides online and face to face support to help you find and use relevant information resources.

- Subject and Research Guides
- Ask a Librarian

Student Services and Support

Macquarie University offers a range of Student Support Services including:

- IT Support
- Accessibility and disability support with study
- Mental health support
- Safety support to respond to bullying, harassment, sexual harassment and sexual assault
- Social support including information about finances, tenancy and legal issues

Student Enquiries

Got a question? Ask us via [AskMQ](http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/), or contact [Service Connect](http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/).

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](http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/). The policy applies to all who connect to the MQ network including students.