



ECON214

Applied Macroeconomics

S1 Day 2018

Dept of Economics

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General Information

Unit convenor and teaching staff

Unit Convenor

Alexander Blair

alexander.blair@mq.edu.au

Contact via email

E4A 418

Consultation - 6pm Tuesday after the lecture.

Credit points

3

Prerequisites

(15cp at 100 level or above) including ECON110

Corequisites

Co-badged status

Unit description

This unit is designed to build upon the models developed in ECON204 but also serves as a standalone unit in applied macroeconomics. Some of the models are therefore familiar from ECON204, but they are taught here from their basics and without assumed knowledge. This unit includes a substantial introduction to the history of economic thought, allowing students to see the origins of the models they study, and therefore better understand the models themselves. It covers also IS-LM, the labour market, basic AD-AS models, the various incarnations of the Phillips Curve, and exchange rates, and culminates in the Mundell-Fleming model of an open economy. These models are illustrated by application to modern economies, both through the lectures and in a selection of papers from academic journals examined in tutorials. Students will also benefit from the development of basic skills such as short essay writing for examinations, and basic mathematical skills – all such skills are taught and practised in class, and again, require no prior knowledge. In particular, students who have not yet completed ECON204 will not be disadvantaged, and will benefit from the grounding in ECON204 models that this unit will provide. It will benefit also those seeking an introduction to the history and application of economic models, who will gain also an accompanying set of valuable general skills.

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:

Recognise and explain models of macroeconomics at an intermediate level

Critically analyse economic models in real world situations

Use computer software for problem solving in economics

Assessment Tasks

| Name | Weighting | Hurdle | Due |
|-----------------------------------------|-----------|--------|-------------------------------|
| Introductory Class Test | 10% | No | 13th March |
| Mid-Session Test | 30% | Yes | 10th April |
| Modelling Exercise | 20% | No | 28th May 11pm |
| Final Examination | 40% | No | University Examination Period |

Introductory Class Test

Due: **13th March**

Weighting: **10%**

Submission Written test in tutorial.

Feedback Exam script will be returned with comments.

Comment This test will review some of the material covered in the early lectures. More than this however, it is intended to give you practice in some of the skills and techniques you will need in the subsequent assessment tasks. In other words it will give us a snapshot of your current skill set.

Students who do not sit for this Test will receive a mark of zero. This penalty does not apply for students who have applied and been approved for Special Consideration. Consult the Policies and Procedures section of this Unit Guide for further information on these policies. If remedy is approved under these procedures then in most cases a viva voce will be substituted for the in-class Test.

On successful completion you will be able to:

- Recognise and explain models of macroeconomics at an intermediate level

Mid-Session Test

Due: **10th April**

Weighting: **30%**

This is a hurdle assessment task (see [assessment policy](#) for more information on hurdle

assessment tasks)

Submission Written test in the lecture.

Feedback Exam script will be returned with comments.

Comment The aim of this Class Test is to help with the learning process, as much as it is for purposes of assessment. The exam will focus on the ideas, facts and concepts that are the building blocks for understanding what is going on in our economy. It will be of 1.5 hours duration.

Students who do not sit this Mid-Session Test will receive a mark of zero. This penalty does not apply to those students who have applied and been approved for Special Consideration. Consult the Policies and Procedures section of this Unit Guide for further information on these policies.

On successful completion you will be able to:

- Recognise and explain models of macroeconomics at an intermediate level
- Critically analyse economic models in real world situations

Modelling Exercise

Due: **28th May 11pm**

Weighting: **20%**

Submission By Dialogue in iLearn, as Powerpoint document in attachment, with verification via Turnitin.

Feedback Assignment will be returned with comments.

Comment: The topic will depend on our lecture timetable (which we will vary if we find that certain topics need more work) but it might include for example a rendering in Powerpoint of the Mundell-Fleming model, or some other model relevant to the lectures. (We will show you how to work in Powerpoint, a useful skill generally). There will be a Final Exam question covering very similar content, so this Assignment exercise will be excellent preparation for the Final Examination.

Late submission of the Assignment: Late Assignments will incur a penalty of 10% of the total available marks applied to the total awarded marks for each 24 hour period or part thereof that the submission is late. (Thus for example submission 25 hours late will lead to a 20% marks penalty). Note that Assignments submitted at any time without the correct procedures, will be subject to penalties as specified in the Assignment handout. Penalties will continue to apply until re-submission of the Assignment with the correct procedure. These penalties will not apply in cases in which a valid Special Consideration application has been made and approved. Consult the Policies and Procedures section of this Unit Guide for further information on these policies.

On successful completion you will be able to:

- Recognise and explain models of macroeconomics at an intermediate level
- Critically analyse economic models in real world situations
- Use computer software for problem solving in economics

Final Examination

Due: **University Examination Period**

Weighting: **40%**

Formal Examination End of session formal examination.

Comment

The final exam will consist of essay-style questions plus some short answer material. More details regarding the Final Exam will be given towards the end of the session. However the style of the Exam is very similar to that of the Mid-Session Test – some theory questions, some short essays, some calculation questions. The Exam will cover both lecture content and material specifically covered in tutorials (which makes attendance in lectures and participation in tutorial essential for success in the Unit) including the journal article readings which are required for tutorial preparation.

Students who do not sit this Final Examination will receive a mark of zero. This penalty does not apply to those students who have applied and been approved for Special Consideration. Consult the Policies and Procedures section of this Unit Guide for further information on these policies. Note that it is University policy not to set early examinations for individuals or groups of students. All students should ensure that they are available for assessments and other essential tasks until the end of the teaching Session, in other words the final day of the official examination period.

On successful completion you will be able to:

- Recognise and explain models of macroeconomics at an intermediate level
- Critically analyse economic models in real world situations

Delivery and Resources

Classes

- This unit provides 3 hours face-to-face teaching per week consisting of 1 x 3 hour class, within which we will combine delivery of lecture notes (assisted by the lecture slides available via iLearn) as well as discussion of selected journal articles (see Reading Guide available on the iLearn site).
- The timetable for classes can be found on the University web site at: <http://www.timetables.mq.edu.au/> Consult this website for times and locations of

tutorials.

Required and Recommended Texts and/or Materials

As an applied unit, we will be looking at specific models as they are used in practice, in real world policy making, rather than drawing upon a theoretical text. Access to the textbook for ECON204:

Olivier Blanchard & Jeffrey Sheen, Macroeconomics, Pearson (either the 3rd Australasian edition, 2009, or the 4th Edition 2013)

would be useful but is not essential, as all the models discussed in the Unit will be presented in full in the lectures. Other readings will be supplied online or by the lecturer.

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 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.m](#)

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://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

Creative and Innovative

Our graduates will also be capable of creative thinking and of creating knowledge. They will be imaginative and open to experience and capable of innovation at work and in the community. We want them to be engaged in applying their critical, creative thinking.

This graduate capability is supported by:

Learning outcome

- Recognise and explain models of macroeconomics at an intermediate level

Assessment task

- Modelling Exercise

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

- Recognise and explain models of macroeconomics at an intermediate level
- Use computer software for problem solving in economics

Assessment tasks

- Mid-Session Test
- Modelling Exercise
- 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

- Recognise and explain models of macroeconomics at an intermediate level
- Critically analyse economic models in real world situations
- Use computer software for problem solving in economics

Assessment tasks

- Introductory Class Test
- Mid-Session Test
- Modelling Exercise
- Final Examination

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

- Critically analyse economic models in real world situations

Assessment tasks

- Introductory Class Test
- Mid-Session Test
- Final Examination