

MACQUARIE
UNIVERSITY



FACULTY OF
BUSINESS AND ECONOMICS

ECON214/BBA 214 Applied Macroeconomics

Semester 1, 2011

Department of Economics

ABOUT THIS UNIT

Year and Semester:	Semester 1 2011
Unit convenor:	Alex Blair Department of Economics
Credit points:	3 credit points

This Unit draws upon current macroeconomic theory and applies it to problems experienced by economies past and present. A particular focus is on the economic problems facing most economies in the Great Recession since 2008, both the causes of these problems, and the potential in practice for economic theory to offer a remedy. Students will become familiar with the contending schools of economic thought on these issues, their underlying assumptions, and the efficacy of their prescriptions when these are applied to a modern economy. ECON214 complements ECON204 *Macroeconomic Analysis* in its study of these issues and can be attempted along with the latter, but can also be taken as a stand-alone Unit.

TEACHING STAFF

Alex Blair (Unit coordinator), Room: E4A418
Phone: 9850 7897, email: alexander.blair@mq.edu.au

All administrative enquiries should be directed to the lecturer-in-charge in person during consultation hours. Consultation times will be released on the Unit website. Questions on the content of the Unit should be posted online in the Discussions section of the Black Board, where the questions and resulting discussion can be of benefit to other students in the Unit.

CLASSES

- This unit provides 3 hours face-to-face teaching per week consisting of 1 x 2 hour lecture and 1 x 1 hour tutorial
- The timetable for lectures and tutorials can be found on the University web site at: <http://www.timetables.mq.edu.au/> Consult this website for times and locations of tutorials.

Lectures: Thursday 1-3pm W5A T2

REQUIRED AND RECOMMENDED TEXTS

As an applied unit we will be looking at specific models used in practice rather than drawing upon a theoretical text. Access to the textbook for ECON204:

Olivier Blanchard & Jeffrey Sheen, *Macroeconomics*, Pearson, 3rd Australasian edition, 2009 would be useful but not mandatory. Other readings will be supplied online or by the lecturer.

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 Blackboard at <http://learn.mq.edu.au>.

LEARNING OBJECTIVES AND OUTCOMES

Subject specific learning outcomes:

- Understanding of the theoretical models that form the body of contemporary macroeconomics;
- An ability to apply macroeconomic models to various economic problems and issues;
- An ability to use computer software to practice the application of macroeconomic models
- An ability to critically evaluate public policy prescriptions based on understanding of the underlying theoretical models

Generic learning outcomes:

- An ability to identify, define and analyse problems and recommend creative solutions within real-world constraints.
- Development and demonstration of a capacity to work independently, including the ability to plan and achieve goals.
- An intellectual readiness to participate in public policy discussions arising in business and government contexts;
- An ability to acquire, analyse, evaluate and make use of information, efficiently and effectively.

ECON214 TUTORIAL PROGRAM

Tutorials will start with an administrative tutorial in Week 2, and thenceforth every week.

The tutorials comprise numerical problems and analytical questions and will be generally available on the Unit website one week before the tutorials. There should be the opportunity to explore issues raised in lectures and to ask questions. The tutorials aim to improve understanding of macroeconomic theory and of the policy debates.

ASSESSMENT

The components of assessment in this course are as follows:

Early Semester Test	10%	Week beginning 14 th March
Mid-Semester Examination	30%	April 7 th
Modelling Exercise	20%	23 rd May
Final Examination	40%	University Examination Period

Failure to attend the Mid-Semester or Final Exam without the submission of an Application for Special Consideration, on the grounds of illness or other unavoidable disruption, together with the required supporting documentation, will result in a mark of zero for the assessment.

If you wish to advise of your absence from a Mid-Semester test for reason of illness or other unavoidable disruption you must fill out an Application for Special Consideration. The forms are available from the Student Enquiry Service or online at <http://www.reg.mq.edu.au/Forms/APSCon.pdf>. The completed form with appropriate supporting documentation must be submitted to the Student Enquiry Service, not to the Faculty of Business and Economics.

For absence related to illness you will need to include an EFS Professional Authority Advice Form. Students granted Special Consideration for a missed Mid-Semester exam will not be allowed to sit the Exam at a different time. The value of the Final Exam will be increased on a pro rata basis. Granting of Special Consideration for the Final Exam will permit students to sit for a supplementary examination.

More detail on the policy and required documentation can be found at http://www.mq.edu.au/policy/docs/s/procedure_specialconsideration.htm

A 2.5 (2 ½) hour Final Examination for this unit will be held during the University Examination period. You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the special consideration process is available at the policy and required documentation can be found at http://www.mq.edu.au/policy/docs/s/procedure_specialconsideration.htm

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period

You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester, the final day of the official examination period.

The Academic Senate has a set of guidelines on the distribution of grades across a range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG).

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

A NOTE ON PASSING ECON 214

The assessment breakdown is designed, firstly, to combine the task of assessment with the task of learning – it is designed to give your learning a focus. Secondly, it is structured so that students from any background, Economics or other, will have plenty of warning of the need to concentrate their efforts in order to pass the Unit.

In other words it should be very difficult to fail for students who make a genuine effort. An unseen examination component has always been a key element of assessment in the Faculty of Business and Economics – this is an excellent instrument which I would apply even if it were not required, as the clearest and fairest means of assessing a student's progress in a subject. In this Unit, around half of the unseen exam component is accounted for by the Mid-Semester exam. A poor result here would be received in plenty of time to correct whatever problem has emerged in your study habits, so that you can retrieve the situation by better performance in the other assessments. **Do heed the warnings given by the Mid-Semester exam, and by the other in-semester assessments.** If you do give a poor performance during the semester, but do not heed that warning, then it will be **next to impossible to pass the Unit**. Assessment of your performance in the Unit is not arbitrary. On the contrary, there are a set of clearly identifiable skills and knowledge that you must have in order to pass, and for those who will fail the Unit it will be because they have failed to master, by any fair and objective measure, those skills and that knowledge. You will have plenty of warning, through your performance in tutorials and in the Mid-Semester Exam, that you are in danger of falling into this group. If you fail to heed those warnings when given to you, there will not be time for any remedial action.

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

FURTHER INFORMATION

A lecture schedule and other materials will be made available in the first week of semester.

Alex Blair Department of Economics 2011