ECON 2016
Economics 2H

Economics 2(H) includes ECON2102 Macroeconomics 2 with two additional contact hours a week (a lecture and a tutorial). It is designed for the better performing students who want to extend their exposure to economics beyond that offered in the standard second year courses in microeconomics and macroeconomics.

Students interested in pursuing further study (including Honours or other postgraduate courses) in economics are encouraged to take this course, both to challenge themselves beyond the usual second year level and to get a taste of what further study may entail.

To encourage trying the course, students can switch from ECON2016 to ECON2102 without penalty any time to the end of week 10.

The Honours component includes advanced material in intermediate microeconomics. It builds on material that students have studied in Microeconomics 2, and is more mathematical (using basic calculus). It gives the students a head start for Microeconomics 3, as well as optional economics units – with topics drawn from public finance, international economics, and welfare economics.

The emphasis in Economics 2(H) is on deepening students' understanding of the basic principles of microeconomics and learning how to use these principles to analyse real world problems and policy issues.

<table>
<thead>
<tr>
<th>Mode of Delivery</th>
<th>On campus.</th>
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</thead>
<tbody>
<tr>
<td>Prerequisites</td>
<td>To enrol in this course, you must have completed ECON2101 Microeconomics 2 (P).</td>
</tr>
<tr>
<td>Incompatible Courses</td>
<td>You are not able to enrol in this course if you have completed ECON2102 Macroeconomics 2 (P), ECON2111 Microeconomics 2 (H), or ECON2112 Macroeconomics 2 (H).</td>
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<td>Course Convener</td>
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<td>Office hours for student consultation</td>
<td>TBA on wattle</td>
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<tr>
<td>Research Interests</td>
<td>Law and Economics, Cost benefit analysis.</td>
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<tr>
<td>Relevant administrator</td>
<td>Nicole Millar</td>
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SEMESTER 2
2017
COURSE OVERVIEW

Course Description

The first part of the course extends and applies the consumer theory from Microeconomics 2, examining utility and choice, labour supply, household production, expected utility and choice under uncertainty.

Then we set out how markets work and inter-relate, using general equilibrium models with production to illustrate the fundamental theorems of welfare economics (the efficiency properties of competitive equilibrium), how supply and demand determine the distribution of income in a market economy, and a number of applications in public finance and international economics.

Learning Outcomes

In addition to the learning outcomes for the pass component of this course honours students should have the knowledge and skills to:

• Think for themselves like economists, or at least understand how economists think.
• Recognise the economic issues in a problem and apply the appropriate tools to analyse it.
• Understand the economic tools taught in class and be able to apply them to analyse real world problems and policy issues.

Assessment Summary

All the assessment requirements for ECON2102 Macroeconomics 2 plus a mid-semester and final exam on the honours material. To receive a Honours grade, students must pass the ECON2102 component of the course.

<table>
<thead>
<tr>
<th>Assessment Task</th>
<th>Value</th>
<th>Due Date</th>
<th>Date for Return of Assessment</th>
<th>Linked Learning Outcomes (optional)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mid-semester exam</td>
<td>40% of honours mark, redemptive</td>
<td>Week 6</td>
<td>During semester break.</td>
<td>All</td>
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<tr>
<td>2. Final exam</td>
<td>60% or 100% of honours mark</td>
<td>Final exam period</td>
<td>When final grades are released.</td>
<td>All</td>
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<tr>
<td>3. As for pass course, Macroeconomics 2, ECON2102.</td>
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</table>

The mark awarded for Microeconomics 2 (H) will be the simple average of the Pass and the Honours components percentage marks plus 5 additional percentage points. These additional marks recognise the time and effort entailed in pursuing the Honours option on top of the Pass course demands. The maximum of 105 will be capped at 100 should any student achieve an average mark above 100.

Research-Led Teaching

The course focuses on long-established microeconomic theory and models which the lecturer has used in published research.
Feedback
Staff Feedback
Students can collect their mid-semester exams after they are marked. Answers to the mid-semester exams will be presented in class (in the week 7 tutorial) and posted on wattle and class performance discussed.

Student Feedback
ANU is committed to the demonstration of educational excellence and regularly seeks feedback from students. One of the key formal ways students have to provide feedback is through Student Experience of Learning Support (SELS) surveys. The feedback given in these surveys is anonymous and provides the Colleges, University Education Committee and Academic Board with opportunities to recognise excellent teaching, and opportunities for improvement.

For more information on student surveys at ANU and reports on the feedback provided on ANU courses, go to
http://unistats.anu.edu.au/surveys/selt/students/ and
http://unistats.anu.edu.au/surveys/selt/results/learning/

Policies
ANU has educational policies, procedures and guidelines, which are designed to ensure that staff and students are aware of the University’s academic standards, and implement them. You can find the University’s education policies and an explanatory glossary at:
http://policies.anu.edu.au/

Students are expected to have read the Academic Misconduct Rules 2014 before the commencement of their course.

Other key policies include:
- Student Assessment (Coursework)
- Student Surveys and Evaluations

Required Resources
There is no prescribed text. A detailed outline, reading list and the associated readings for each topic will be placed on the course wattle web site.

The course handouts and tutorial assignments can be found at the Wattle site for ECON2016. All students formally enrolled in this course should have access to this site and should check it at least once a week.

Additional course costs
No additional course costs

Examination material or equipment
No materials permitted.
The binding details for the final exam will be given in the University's final exam timetable http://timetable.anu.edu.au/exams/

COURSE SCHEDULE
Please note this schedule is a draft and subject to changes. Any changes will be announced in lectures and posted on Wattle. The table below gives a rough outline of the course. A detailed outline, reading list and the associated readings for each topic will be placed on the course wattle web site before the start of each topic.
<table>
<thead>
<tr>
<th>Week/Session</th>
<th>Topic</th>
<th>Assessment</th>
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<tbody>
<tr>
<td>1</td>
<td>Utility and choice</td>
<td></td>
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<tr>
<td>2</td>
<td>Utility and choice, Labour supply</td>
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<tr>
<td>3</td>
<td>Labour supply: welfare programmes</td>
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<tr>
<td>4</td>
<td>Labour supply: efficiency, commuting, income tax</td>
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<td>5</td>
<td>Labour supply: Laffer curve; Household production</td>
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<tr>
<td>6</td>
<td><strong>In-class mid-semester exam</strong></td>
<td></td>
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<tr>
<td>7</td>
<td>Choice under uncertainty and expected utility</td>
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<tr>
<td>8</td>
<td>Choice under uncertainty and expected utility</td>
<td></td>
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<tr>
<td>9</td>
<td>Insurance, risk pooling and gambling</td>
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<tr>
<td>10</td>
<td>General equilibrium: the Edgeworth exchange box, competition and price taking behaviour</td>
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<tr>
<td>11</td>
<td>General equilibrium in a production economy: efficiency properties of competitive markets</td>
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<tr>
<td>12</td>
<td>General equilibrium in a production economy: international trade and public finance applications.</td>
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**ASSESSMENT REQUIREMENTS**

The ANU is using Turnitin to enhance student citation and referencing techniques, and to assess assignment submissions as a component of the University’s approach to managing Academic Integrity. For additional information regarding Turnitin please visit the [ANU Online](#) website.

Students may choose not to submit assessment items through Turnitin. In this instance you will be required to submit, alongside the assessment item itself, copies of all references included in the assessment item.

**Assessment Tasks**

**Participation**

To learn the material, it is necessary, but not sufficient, to attend lectures regularly and do the assigned readings.

Students do best if they attend lectures and tutorials, take careful notes and learn to draw the diagrams, not by flipping over copies of the lecture slides.

A tutorial problem set will be posted each week for the following week. It is expected that students prepare in advance and come ready to answer questions. A crucial component of the course is the ability to analyze a problem using microeconomic tools. Learning-by-doing is the best way to achieve this ability which is fostered by doing the tutorial problems before attending the tutorial. Doing the tutorial problems each week is a key part of the learning process. You can only learn the economic way of thinking by applying your economics to analyse problems. The final exam questions will be tutorial style problems. You will only learn problem solving skills (necessary to pass the exams) through practice, NOT by simply copying down the answers given in tutorials.

The lectures and tutorials will be recorded and the powerpoint slides placed on Wattle.

Asking questions in tutorial is encouraged. Of course I will be available to answer questions about course content immediately after lectures and during my office hours.
Workload
Students taking this course are expected to commit at least 5 hours a week to completing the work, including:

- 1 hours a week: lectures
- 1 hour a week: tutorial
- 3 hours a week: reading, research, writing and tutorial preparation

Assessment Task 1: Mid-semester examination
Details of task:
We will have a 90 minute, plus 15 minutes reading time, mid-semester exam, which will be worth 40% of your mark for my section of the course, redemptive (it only counts if it improved your overall mark for my section of the course).

It will be held in class in Week 6 (September 1).

It will be a mixture of short answer questions and longer problems, with some choice between the longer problems.

The topics examined in the mid-semester examination will be announced in class and on wattle before the examination.

As the mid-semester exam is redeemable, no deferred exam will be offered.

Assessment Task 2: Final examination
Details of task:
The final exam will be 3 hours plus 30 minutes reading time and will examine the whole course.

Returning assignments
Students can collect their mid-semester examination from the Departmental Office after we go over the answers in the Week 8 tutorial.

Scaling
Your final mark for the course will be based on the raw marks allocated for each of your assessment items. However, your final mark may not be the same number as produced by that formula, as marks may be scaled. Any scaling applied will preserve the rank order of raw marks (i.e. if your raw mark exceeds that of another student, then your scaled mark will exceed the scaled mark of that student), and may be either up or down.

Privacy Notice
The ANU has made a number of third party, online, databases available for students to use. Use of each online database is conditional on student end users first agreeing to the database licensor’s terms of service and/or privacy policy. Students should read these carefully.

In some cases student end users will be required to register an account with the database licensor and submit personal information, including their: first name; last name; ANU email address; and other information.

In cases where student end users are asked to submit ‘content’ to a database, such as an assignment or short answers, the database licensor may only use the student’s ‘content’ in accordance with the terms of service – including any (copyright) licence the student grants to the database licensor.
Any personal information or content a student submits may be stored by the licensor, potentially offshore, and will be used to process the database service in accordance with the licensor's terms of service and/or privacy policy.

If any student chooses not to agree to the database licensor’s terms of service or privacy policy, the student will not be able to access and use the database. In these circumstances students should contact their lecturer to enquire about alternative arrangements that are available.

**SUPPORT FOR STUDENTS**
The University offers a number of support services for students. Information on these is available online from [http://students.anu.edu.au/studentlife/](http://students.anu.edu.au/studentlife/)