316-612 Macroeconomics

Credit Points:	12.50
Level:	9 (Graduate/Postgraduate)
Dates & Locations:	2009, This subject commences in the following study period/s: Semester 1, - Taught on campus.
Time Commitment:	Contact Hours: Seminars or lectures and tutorials totalling three hours per week (Semester 1). Total Time Commitment: Not available
Prerequisites:	A major sequence in economics will normally be required before this subject is taken.
Corequisites:	None
Recommended Background Knowledge:	None
Non Allowed Subjects:	None
Core Participation Requirements:	For the purposes of considering request for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Student Support and Engagement Policy, academic requirements for this subject are articulated in the Subject Overview, Learning Outcomes, Assessment and Generic Skills sections of this entry. It is University policy to take all reasonable steps to minimise the impact of disability upon academic study, and reasonable adjustments will be made to enhance a student's participation in the University's programs. Students who feel their disability may impact on meeting the requirements of this subject are encouraged to discuss this matter with a Faculty Student Adviser and Student Equity and Disability Support: http://services.unimelb.edu.au/disability
Coordinator:	Prof Ian Paul King
Subject Overview:	This is an advanced course in macroeconomic theory, with the intention of introducing students to frontier techniques. Topics may include: techniques of dynamic optimization, dynamic optimization theory, economic growth, optimal taxation, unemployment, and money.
Objectives:	On successful completion of this subject, students should be able to: # Solve first-order and second-order ordinary differential equations and apply these solutions to explain possible macroeconomic outcomes; # To apply basic dynamic techniques to macroeconomic models in order to solve for short-run and long-run outcomes; # To apply the techniques of static and dynamic optimisation to solve macroeconomic problems including, in particular, to solve the intertemporal problem of the representative firm and to solve the intertemporal problem of the optimising consumer; # To integrate the model of the representative firm and the optimising consumer into a representative agent model of the economy; # To apply standard dynamic techniques to growth theory models.
Assessment:	A 3-hour end-of-semester examination (50%), class assignments totalling not more than 2000 words (20%) and a 1.5 hour mid-semester examination (30%).
Prescribed Texts:	None
Breadth Options:	This subject is not available as a breadth subject.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Generic Skills:	On successful completion of this subject, students should have improved the following generic skills: # The use of dynamic macroeconomic models;

	# The explanation of likely economic outcomes in the short-run, in the long-run and in the transition from short-run to long-run equilibria; # The use of optimisation techniques to derive theoretical models that can explain the behaviour of economic agents; # The integration of theoretical models based on optimising behaviour into full-scale models of the macro-economy; # The improvement of problem solving skills, through completing class assignments.
Related Course(s):	Master of Commerce - Economics Master of Economics