

ECOM90012 Modelling the Australian Macroeconomy

Credit Points:	12.5												
Level:	9 (Graduate/Postgraduate)												
Dates & Locations:	This subject is not offered in 2015.												
Time Commitment:	Contact Hours: 3 hours of classes per week plus 3 hours of seminars during the semester Total Time Commitment: Estimated total time commitment of 120 hours per semester												
Prerequisites:	ECON40002 Advanced Macroeconomics and ECOM40006 Econometric Techniques or ECOM90013 Econometric Techniques <table border="1" data-bbox="387 495 1485 757"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>ECON40002 Advanced Macroeconomics</td> <td>Semester 1</td> <td>12.50</td> </tr> <tr> <td>ECOM40006 Econometric Techniques</td> <td>Semester 1</td> <td>12.50</td> </tr> <tr> <td>ECOM90013 Econometric Techniques</td> <td>Semester 1</td> <td>12.50</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	ECON40002 Advanced Macroeconomics	Semester 1	12.50	ECOM40006 Econometric Techniques	Semester 1	12.50	ECOM90013 Econometric Techniques	Semester 1	12.50
Subject	Study Period Commencement:	Credit Points:											
ECON40002 Advanced Macroeconomics	Semester 1	12.50											
ECOM40006 Econometric Techniques	Semester 1	12.50											
ECOM90013 Econometric Techniques	Semester 1	12.50											
Corequisites:	None												
Recommended Background Knowledge:	None												
Non Allowed Subjects:	ECOM40005 Modelling the Australian Macroeconomy <table border="1" data-bbox="387 954 1485 1104"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>ECOM40005 Modelling the Australian Macroeconomy</td> <td>Not offered 2015</td> <td>12.50</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	ECOM40005 Modelling the Australian Macroeconomy	Not offered 2015	12.50						
Subject	Study Period Commencement:	Credit Points:											
ECOM40005 Modelling the Australian Macroeconomy	Not offered 2015	12.50											
Core Participation Requirements:	For the purposes of considering requests for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Students Experiencing Academic Disadvantage Policy, academic requirements for this subject are articulated in the Subject Description, Subject Objectives, Generic Skills and Assessment Requirements for this entry. The University is dedicated to provide support to those with special requirements. Further details on the disability support scheme can be found at the Disability Liaison Unit website: http://www.services.unimelb.edu.au/disability/												
Contact:	Graduate School of Business and Economics Level 4, 198 Berkeley Street Telephone: +61 3 8344 1670 Online Enquiries (https://nexus.unimelb.edu.au/OnlineEnquiryForm.aspx?campaigncode=CMP-01311-VZ8293&cssurl=https://nexus.unimelb.edu.au/cssfiles/gsbe.css&redirecturl=http://www.gsbe.unimelb.edu.au/contactus/nexus/gsbe.html) Web: www.gsbe.unimelb.edu.au (http://www.gsbe.unimelb.edu.au)												
Subject Overview:	This subject examines the use of open economy macroeconomic models in economic policy analysis. Topics include: important Australian macroeconomic data sets; the design of macroeconometric and VAR models of the Australian economy; the derivation of policy multipliers; policy simulation techniques and sensitivity analysis of economy-wide models; recent developments in the theory of economic growth; and an examination of some current issues in macroeconomic policy.												
Learning Outcomes:	On successful completion of this subject students should be able to: <ul style="list-style-type: none"> # Explain the limitations of static comparative-equilibrium analysis (including IS-LM) for policy formation and evaluation; # Evaluate the role of Walras' Law in macroeconomic modelling; # Apply models to capture dynamic elements in markets and ensure a consistent relationship between stocks and flows; # Identify recursive elements of models involving a number of structural equations; # Apply numerical algorithms to solve non-linear and simultaneous models; 												

	<ul style="list-style-type: none"> # Describe the differences between short and long run policy multipliers; # Express a system of linear equations in matrix form and solve the system for relevant multipliers; # Describe and evaluate alternative models of the equilibrium rate of unemployment; # Describe and evaluate alternative models of the demand for stocks of financial assets, including money; # Explain the Ando-Modigliani model of household consumption behaviour; # Explain and evaluate competing models of production and economic growth; # Identify the various rules used to solve both static and dynamic economic models; # Analyse the documentation that accompanies models of the Australian economy; # Explain the vision of the Australian economy embodied in the Murphy, Access-Economics and Treasury models; # Identify key equations and parameters in these models and explain why they are important; # Critically evaluate the way these equations are expressed and the numerical values of the various coefficients embodied in them; # Perform policy simulations using Murphy and TRYM models and analyse the results, which are to be presented in a briefing paper; # Evaluate and summarise ABS publications involving key economic indicators, such as the CPI, GDP and the unemployment rate.
Assessment:	One 3-hour end-of-semester (80%) Class assignments not exceeding 4000 words (20%)
Prescribed Texts:	You will be advised of prescribed texts by your lecturer.
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:	<p>On successful completion of this subject, students should have improved the following generic skills:</p> <ul style="list-style-type: none"> # Evaluation of ideas, views and evidence # Synthesis of ideas, views and evidence # Strategic thinking # Critical thinking # Application of theory to economic policy and business decision making # Accessing economic and other information # Summary and interpretation of information # Application of Windows software # Using computer programs # Statistical reasoning # Problem solving skills # Collaborative learning and team work # Written communication # Oral communication
Notes:	Students may not gain credit for both ECOM90012 Modelling the Australian Macroeconomy and ECOM40005 Modelling the Australian Macroeconomy.