SUBJECT OVERVIEWS

TIPS FOR THE ECONOMICS STUDENTS

THE ONE-STOP GUIDE TO CHOOSING YOUR ECONOMICS UNITS
INTRODUCTION

Welcome to 2020!

ESSA Monash Clayton is proud to present our updated Subject Overviews booklet. Whether you are a new student beginning their studies, or a returning student choosing your subjects for this year - our brief overviews on the 2020 economics units are written to help you! These overviews explore topics covered, when the unit is available, what to expect and how to do well.

ACKNOWLEDGEMENT

The overviews in the booklet were written by both past and present economics students at Monash University who have taken these units and have kindly offered to share their experiences. ESSA Monash Clayton would like to thank them for contributing their time and effort to do so. We hope that this booklet helps you understand everything the economics major has to offer. We’ve enjoyed taking these units, and hope that you do too!

DISCLAIMER

These subject overviews are the work of ESSA Monash Clayton and not of Monash University. They are not intended to replace the Monash University Handbook, which should be consulted for official information about each unit.

The Handbook can be found here:
https://handbook.monash.edu/
To complete a major in Economics, you need to do the following four units…

**ECC1000: Principles of Microeconomics**

**Topics covered:** Foundational microeconomic principles including supply and demand, the concept of choice, elasticity and consumer behaviour.

**Availability in 2020:** Semester 1 & 2 (Clayton)

**How to do well:** Make sure you do the weekly tutorial questions! These questions form the basis of what will come up on the exam and provide excellent exam revision. Also try to stay up to date with content, as the subject difficulty increases throughout the semester and you don’t want to fall behind towards the end!

**Comments:** Overall this is a highly accessible unit regardless of whether you have had any prior economics exposure, particularly where the math skill required is of a low level.

**ECC1100: Principles of Macroeconomics**

**Topics covered:** Measuring output, prices and unemployment; Business cycle and output gaps using AD-AS model; fiscal and monetary policy; long run growth; exchange rates

**Availability in 2020:** Semester 1 & 2 (Clayton)

**How to do well:** First year macroeconomics is all about understanding the concepts well enough to be confident to write on any topic. Utilising the consultation hours is particularly useful in doing so.

**Comments:** This subject emphasises intuition relating to key macroeconomic concepts over the maths, which I think is better because it builds a more solid foundation that will be very useful going forward. Overall, it is a very interesting and broad introduction to the world of macroeconomics.

**ECC2000: Intermediate Microeconomics**

**Topics covered:** Consumer choice; production theory; monopoly, monopolistic competition and oligopoly; game theory; general equilibrium; market failure

**Availability in 2020:** Semester 1 & 2 (Clayton)

**How to do well:** Make sure to be comfortable with the maths skills required at the start as they are used throughout the course, do the tutorial questions weekly as they are a similar style to the exam questions, ask tutors to clarify concepts early as they are often continued over weeks.

**Comments:** This is a challenging unit that is definitely a step up from ECC1000, but one you can do well in if hard work is put in throughout the semester. Its focus is mostly on theory, so try to avoid last-minute cramming of content!

**ECC2010: Intermediate Macroeconomics**

**Topics covered:** Components of AD and AS; long run economic growth; IS-LM model; employment, inflation and growth from Classical and Keynesian perspectives

**Availability in 2020:** Semester 1 & 2 (Clayton)

**How to do well:** This unit uses a lot of economic models so learning them early and being able to identify the differences between them is important. Drawing diagrams and explaining what they mean is also key to doing well. There is a little bit of maths but is manageable if you’ve done the first-year economics units.

**Comments:** This is a reasonably paced unit which expands on the key concepts of first year macro. The difficulty in the unit comes from having to know several different models well but this is achievable if you keep up with tutorial questions and weekly assessments.
...and three units from the following...

**ECC3600: Experimental Economics**
*Topics covered:* History and basic structure of experimental economics, different types of experimental economics topics, experimental design, individual/social/financial decision making
*Availability in 2020:* Semester 1 (Clayton)
*How to do well:* Don’t let your prescribed journal readings pile up. Pay attention not just to the results, but also to the methodology of experiments. Get familiar with evaluating methodologies, and think about how you will apply them to your experiment design assignment
*Comments:* This may not be what you would consider a conventional economics unit; however, the unit offers very practical skills. Experimental economics covers the practical application and “real world” study of economics.

**ECC3660: Monetary Economics**
*Topics covered:* Inflation, interest rates, bond and money markets, natural rates of unemployment and optimal monetary policies.
*Availability in 2020:* Semester 1 (Clayton)
*How to do well:* Make sure to understand the diagrams and how they move. You will also need to remember how to derive some mathematical formulas, so take the time to understand them.
*Comments:* This is the subject that helped me finally understand the news! Very practical, taught at a good pace. Applies concepts from ECC2010, but not as challenging to understand as there is less maths, mostly diagram/theory (although with some formula deriving).

**ECC3670: Economics of Developing Countries**
*Topics covered:* Economic analysis regarding issues and policy problems faced by developing countries, including inequality, gender bias, rural-urban migration, poverty, credit constraints and population growth
*Availability in 2020:* Semester 1 (Clayton)
*How to do well:* This unit combines some micro- and macroeconomic concepts so make sure you understand the basics first. Some sources in the unit may also be a bit outdated, so it helps to do some research and to update those sources yourself outside of class time.
*Comments:* ECC3670 is an interesting unit that is quite different from other Economics units. It would be suited for students who enjoy more policy based units, but which still encompasses economic analysis.

**ECC3690: International Economics**
*Topics covered:* Models of trade; movement of labour and capital; protectionist policies; foreign exchange
*Availability in 2020:* Semester 2 (Clayton)
*How to do well:* Make sure to understand the different models and how they build on each other, and get comfortable drawing them. Also keep up with current trade events and news, as it’s a great way to see how the theory we learn in this unit translates into reality (which helps solidify your learning).
*Comments:* ECC3690 is a great macroeconomic unit if you’ve enjoyed the international trade elements of past units. The link with the current trade environment makes it really interesting. While this unit includes a lot of economic models and theories, it’s not a heavy maths unit.
ECC3710: Labour Economics

**Topics covered:** Labour market equilibrium, employer & employee decision making, effects of minimum wage laws and affirmative action measures or employee discrimination

**Availability in 2020:** Semester 1 (Clayton)

**How to do well:** Understand the diagrams and be able to draw them/apply them. The weekly assignments/homework tasks let you do so, with the tutorials supplementing that work - listen in them to ensure you can explain what you draw and demonstrate your understanding of the theories.

**Comments:** ECC3710 is an extremely interesting and practical unit. This unit uses a lot of concepts from microeconomics (equilibrium supply/demand, minimum wage as a price ceiling/floor) so it is quite approachable. It is very exciting to apply the unit content to real life situations and give opinions on policy measures regarding the labour market.

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ECC3830: Industrial Organization and Regulation

**Topics covered:** Game theory, market structures, collusion, horizontal mergers, price discrimination, product differentiation and other market power related issues

**Availability in 2020:** Semester 2 (Clayton)

**How to do well:** Form a study group, especially for assignments and the final exam. Get comfortable with algebra, differentiation and the notations used (e.g. $\pi$ for profits, $q_i$ for Firm $i$’s quantity…). An understanding of the intuition behind the numbers is also important.

**Comments:** Industrial Organisation expands on the idea of imperfect competition in markets established in ECC1000 and ECC2000. The content of the first few weeks establishes the mathematical tools and basic models that are used in later weeks to explore specific market power issues. It is a very practical unit as many of the topics learnt can be observed in everyday life.

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ECC3840: Mathematical Economics

**Topics covered:** Sets, Structured Sets, (Types of) Functions, “Reading Maths”, Equilibria, Utility Theorems and Arrow’s Impossibility Theorem

**Availability in 2020:** Semester 2 (Clayton)

**How to do well:** Stay on top of all content, and as there are no tutorials be prepared with questions for the lecturer post-lecture and/or at consults to ensure you don’t fall behind. Bring paper and pen to class as the content the lecturer writes down and shows on the document cam is often as important as the content in the slides.

**Comments:** This unit is challenging but rewarding. The first couple of weeks start slowly but the unit ramps up after then, so students must have a solid grasp of the early content and remain completely switched on in lectures at all times. The assignments aren’t too challenging but understanding what is being asked can be, so making full use of consults and finding a group to do the assignments with is strongly encouraged.
...as well as one unit from below, or from above!

**ECC2300: Current issues in macroeconomic policy**

*Topics covered:* Causes of the global financial crisis, monetary policy response to the GFC, global growth slowdown

*Availability in 2020:* Semester 2 (Clayton)

*How to do well:* Try and engage with topics and examples from the lectures which will help you choose the best topic for research. Make sure you have a firm grasp on demand and supply graphs as they will translate into lots of topics.

*Comments:* ECC2300 is an extremely engaging unit that sheds light on significant contemporary events in the global economy. One of the better units for learning theories and applying them to real-world examples.

**ECC2360: Environmental economics**

*Topics covered:* Market Failure, Cost-benefit Analysis, Coase Theorem. Environmental goods and different methods of valuation, Relationship between the environment and economic development

*Availability in 2020:* Semester 2 (Clayton)

*How to do well:* Be active in the weekly group discussions since the ideas discussed can be useful for the more theory-based assignments. For exam preparation, the weekly provided questions are good practice despite being initially daunting.

*Comments:* This unit expands on the concepts that are taught in earlier units (ECC1000) and explores them in relation to the environment with a mix of theory and application. The theory is interesting and thought-provoking as there is no definitive answer due to the many unquantifiable aspects of the environment. This unit is challenging at first but once understood is intuitive.

**ECC2400: Current issues in applied microeconomics**

*Topics covered:* Education, human migration, discrimination, making decisions in uncertainty/risk.

*Availability in 2020:* Semester 1 (Clayton)

*How to do well:* Be engaged! Some assessed tasks could be reattempted if we wanted to improve our mark, so put in the effort to try again where necessary.

*Comments:* The subject covers a lot of interesting topics, building from ECC1000. There are a lot of in semester tasks (presentation, peer assessments, essay, pre-class moodle quiz) most of which are very quick/easy to do well in, but be prepared to attend and work consistently throughout the semester.

**ECC2600: Behavioural economics**

*Topics covered:* Rationality, Self-Deception, Probability Judgment, Expected Utility Theory, Motivation Effect, Fairness and Justice, Social Dilemmas

*Availability in 2020:* Semester 2 (Clayton)

*How to do well:* Participate in lecture discussions to get the most out of lectures, do homework questions ahead of tutorials as this will help you to get the most out of tutorials and start the readings early so that you’re well prepared for the essays as they come.

*Comments:* For those who want to see how psychology feeds into economic decision-making, and/or who want an economics unit devoid of mathematics, this unit is for you. It’s a really fascinating look into rationality, and especially decision-making, and why people so often make sub-optimal choices.
ECC2800: Prosperity, poverty and sustainability in a globalised world

**Topics covered:** Theories and models of development and poverty cycles; foreign aid; productivity and innovation; climate change

**Availability in 2020:** Semester 1 (Clayton)

**How to do well:** The unit is not intensive if you are organised. Taking good, detailed notes while watching online lectures throughout the semester is great preparation. The online ‘training’ quiz also provides sufficient exam practice.

**Comments:** Content is engagingly presented by a fantastic lecturer and allows for good discussion of social issues. While workload can be moderately heavy during semester with weekly readings, discussions and an essay, each topic is well-connected and exam study load is light.

ECC3640: Economics of climate change

**Topics covered:** Cost-benefit analysis of climate change action, international agreements, domestic policy and enterprise driven actions.

**Availability in 2020:** Semester 2 (Clayton)

**How to do well:** For in-semester assessments, research extensively for your essay and keep on top of minor assessments. Take advantage of the assessment flexibility trading scheme. As for the exam, prioritise tutorial questions, cover lecture slides and focus on learning the maths well (the maths isn’t hard).

**Comments:** This unit is taught with real passion and heart. It provides a rational, economic approach to a very prevalent topic within society. It explores issues, both near and far, and offers pragmatic solutions to complex problems. The assessments inspire you to learn, grow and think critically – whilst providing you with enough flexibility to suit your busy needs.

ECC3800: History of economic thought

**Topics covered:** Topics covered: classical economics (Adam Smith, Ricardo, Malthus, Marx), Keynesian economics, monetarist economics (Friedman), and more

**Availability in 2020:** Semester 2 (Clayton)

**How to do well:** Keep up with readings to get the most out of in class discussion, participate in class discussions (it’s a small, supportive class so don’t be shy!), and do the weekly essays, as it really helps with the exam.

**Comments:** An incredibly enjoyable unit which teaches very different content to the average economics unit. Doing this unit gives you an appreciation of how we got to all the current theories we’re taught in class, and the contextual history of all our foundational economists helps us understand how and why economics has evolved the way it has. This unit involves significant critical thinking, reading and writing; a small and intimate class size means participation in class is really important and you’ll gain a lot by doing the readings then discussing it with everyone.

ETC2410: Introductory econometrics

**Topics covered:** The OLS regression and related topics such as model interpretation, modification and selection, binary variables, heteroskedasticity, autocorrelation, dynamic models and asymptotics

**Availability in 2019:** Semester 1 & 2 (Clayton)

**How to do well:** Concepts build on content from past weeks so routinely reviewing previous content is encouraged. Getting your hands dirty with the required software (EViews) through homework and assignments is highly beneficial as well.

**Comments:** ETC2410 is a huge step-up from ETC1000. Though moderately difficult, this unit is very rewarding and essential for empirical analyses in economics and other commercial fields. It is also a pre-requisite for the Economics Honours which is a gateway for a wide variety of highly regarded careers.
ECC2460: Energy markets and policy
Topics covered: Using game theory to learn about interactions within energy markets between generators and retailers; carbon emission regulation, renewable energy mandates and other regulations
Availability in 2020: Semester 1 (Clayton)
How to do well: Understand the key features of electricity markets and how it differs to standard commodity markets, particularly the incentives of participants and how environmental policy impacts on participants. Keeping up with the news will also be helpful.
Comments: The unit will be very intriguing for those interested in applying economics to climate change. It will also be a very applicable unit, as the energy market is a dominant area for discussion not only in climate change, but for Australian politics.

ECC3841: Network economics
Topics covered: Influence of social networks on behaviour and relationships, studying applications such as crime, education, labour, communication technologies, etc.
Availability in 2020: Semester 2 (Clayton)
How to do well: Focus on being able to view a real situation in terms of how it fits into theoretical frameworks. Combine this with understanding the impact of networks on agents’ behaviours, and this should allow you to propose a tailored policy recommendation that best addresses the issue.
Comments: With communication technologies growing explosively, such as with the internet and social media, social networks have become a phenomenon observed in every corner of everyday life. Network economics explores this very issue, and so it is a very practical subject for anyone interested in the concept of social networks.

ECC3870: Political Economy - Institutions, order and evidence
Topics covered: Voting; violence and political order; governance and collective action; elites and theories of the state; institutions and growth; institutional change and path dependence.
Availability in 2020: Semester 1 (Clayton)
How to do well: The unit is a mix of theory and evidence, meaning that you must be understand the key concepts surrounding the interaction between political institutions and markets as well as their economic impact, whilst also understanding how to find and evaluate evidence.
Comments: The unit explores the contemporary political economy by combining theory and empirical work to formulate outcomes relating to the political economy. This unit is for anyone interested in the politics side of economics.
ECC2450: Sports economics

**Topics covered:** sports revenues and demand; economics of sporting events and teams, including topics such as pricing, salary caps and revenue sharing; government subsidies in sport; case studies of professional team sports league in Australia, North America and Europe

**Availability in 2020:** Semester 1 (Clayton)

**How to do well:** Understand the key features of various sports markets both in Australia and overseas, particularly those which distinguish it from other markets. Analyse the role economic incentives play in determining the behaviour of all parties involved in sports. Finally, consider all of these to develop appropriate policy recommendations to address the problems within the sports industry.

**Comments:** This interesting unit applies economic frameworks to the sports industry, and thus is a unit for those interested in sports. It also explores the globalisation and future direction of sport in an economic light.

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ECC2610: Game theory and strategic thinking

**Topics covered:** Introduction to game theory; mixed strategies; repeated games and cooperation; incomplete information games, signalling games and strategic moves; applying game theory to real world situations;

**Availability in 2020:** Semester 2 (Clayton)

**How to do well:** The foundations of game theory introduced early on will be important in understanding later, more complex concepts. It is important to understand how to apply this theory to real situations, and what insights you can discover in doing so.

**Comments:** Game theory was introduced in ECC1000 and ECC2000, although briefly. If you are interested in exploring more game theory, particularly its real-world applications and the insights it provides in understanding different social interactions, this is the unit for you.

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**Honours, minors and other degrees**

“Students wishing to undertake an honours year must complete ETC2410 and at least four level 3 ECC units, whilst fulfilling the major requirements. For more information on honours, visit the following link: [http://tinyurl.com/MonashEconHonours](http://tinyurl.com/MonashEconHonours).”

Students wishing to complete a minor in Economics must complete any four undergraduate units with the prefix ECC or ECX offered at the Clayton campus, with at least two units at level 2 or 3.

Students undertaking a Bachelor of Economics or a Bachelor of Commerce Specialist and specialising in economics and economic policy must complete the units on page 3 along with ECC3690, ETC1000 and ETC2410, as well as three other units from pages 4 and 5 and two other units from pages 6-8 (excluding ECC2400) and/or ETC3410, and four other units from those offered by the Faculty of Business and Economics.
STAY CONNECTED!

WEEK 2  Trivia Night
WEEK 5  Careers Panel
WEEK 6  Networking Night
WEEK 8  OGM
WEEK 9  Budget Viewing Party
WEEK 11 Revise with ESSA
WEEK 12 Revise with ESSA
SEMESTER TWO

WEEK 1  Short Supply BBQ
WEEK 3  Annual Essa Debate
WEEK 5  ESSA x WEN Breakfast
WEEK 7  AGM
WEEK 8  Networking Night
WEEK 12 Revise with ESSA