Part A: Course-Specific Information

Students are also expected to have read and be familiar with Part B Supplement to All Undergraduate Course Outlines. This contains Policies on Student Responsibilities and Support, Including Special Consideration, Plagiarism and Key Dates. It also contains the BUSINESS SCHOOL PROGRAM LEARNING GOALS.

[Students are encouraged to ignore the “Never Stand Still” logo, as this course encourages quiet contemplation.]
# Table of Contents

1  STAFF CONTACT DETAILS  
1.1 Communications with staff  

2  COURSE DETAILS  
2.1 Teaching Times and Locations  
2.2 Units of Credit  
2.3 Summary of Course  
2.4 Aims and Relationship to Other Courses  
2.5 Student Learning Outcomes  

3  LEARNING AND TEACHING ACTIVITIES  
3.1 Approach to Learning and Teaching in the Course  
3.2 Learning Activities and Teaching Strategies  

4  ASSESSMENT  
4.1 Formal Requirements  
4.2 Assessment Details  
4.3 Tutorial Participation  
4.4 Mid-Session Tutorial test  
4.5 Weekly Tutorial Papers  
4.6 Final Exam Format  
4.7 Quality Assurance  

5  COURSE EVALUATION AND DEVELOPMENT  

6  COURSE RESOURCES  

7  COURSE SCHEDULE  
7.1 Lecture Schedule  
7.2 Tutorial Schedule  

1 STAFF CONTACT DETAILS

Lecturer-in-charge: Peter Kriesler
ABS Room: 445
Phone No: 02 9385 3373
Email: p.kriesler@unsw.edu.au

Tutor: Neil Hart
Email: n.hart@unsw.edu.au

1.1 Communications with staff
You should feel free to contact your lecturer(s) about any academic matter. However, I strongly encourage, for efficiency, all enquiries about the subject material be made at lectures or tutorials or during consultation time. Discussion of course subject material will not be entered into via lengthy emails.

Email correspondence on administrative matters (e.g. advising inability to attend tutorial) will be responded to within 48 hours, but not over weekends. Please note that the lecturer has no advance notice of the date and time of the exam [the subject of many emails].

2 COURSE DETAILS

2.1 Teaching Times and Locations
Lectures start in Week 1 (to Week 13): The time and location is:
Thursday 11.00-13.00 Macauley Theatre (E15).

Tutorials start in Week 2 (to Week 13). A full list of tutorials, times will be on the Course Website.

2.2 Units of Credit
The course is worth 6 units of credit. This course is taught in parallel to both undergraduate and postgraduate students.

2.3 Summary of Course
The economy can be understood in many different ways. The course examines alternative paradigms in economics, and considers how they analyse the economy. This enables different interpretations of recent events. We will consider various schools of thought such as the Post-Keynesians, Institutionalists and Marxist schools. Topics include how prices are determined, labour markets, money and finance with a strong emphasis on economic policy.

2.4 Aims and Relationship to Other Courses
This course examines various political economy approaches to the analysis of economics, mainly associated with Marxian, Post Keynesian and Institutional Schools of thought. These may be regarded as the main alternatives to neoclassical economic theory. As they do not represent a unified body of thought, the course will survey the main contributions, focusing especially on the positive aspects of theory with some regard to the critique of neo-classical theory. In this
way the course may be seen as providing critiques and alternatives to other courses.

### 2.5 Student Learning Outcomes

The Course Learning Outcomes are what you should be able to DO by the end of this course if you participate fully in learning activities and successfully complete the assessment items. The Learning Outcomes in this course also help you to achieve some of the overall Program Learning Goals and Outcomes for all undergraduate coursework students in the BUSINESS SCHOOL. Program Learning Goals are what we want you to BE or HAVE by the time you successfully complete your degree. You demonstrate this by achieving specific Program Learning Outcomes - what you are able to DO by the end of your degree. For more information on the Undergraduate Program Learning Goals and Outcomes, see Part B of the course outline.

The following table shows how your Course Learning Outcomes relate to the overall Program Learning Goals and Outcomes, and indicates where these are assessed.

<table>
<thead>
<tr>
<th>Program Learning Goals and Outcomes</th>
<th>Course Learning Outcomes</th>
<th>Course Assessment Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>This course helps you to achieve the following learning goals</td>
<td>On successful completion of the course, you should be able to:</td>
<td>This learning outcome will be assessed in the following items:</td>
</tr>
<tr>
<td>1 Knowledge</td>
<td>Compare and contrast alternative methods of economic analysis. Describe and analyse the role of the financial sector in influencing macroeconomic development. Describe and analyse the current global financial crisis.</td>
<td>• Tutorial Papers  • Tutorial Participation  • Final Exam</td>
</tr>
<tr>
<td>2 Critical thinking and problem solving</td>
<td>Demonstrate a critical understanding of the more orthodox approaches. Apply the analysis of labour markets to contemporary events in the Australian economy.</td>
<td>• Tutorial Papers  • Tutorial Participation  • Final Exam</td>
</tr>
<tr>
<td>3a Written communication</td>
<td>Construct written work which is logically and professionally presented.</td>
<td>• Tutorial Papers</td>
</tr>
<tr>
<td>3b Oral communication</td>
<td>Communicate ideas in a succinct and clear manner.</td>
<td>• Tutorial Participation</td>
</tr>
<tr>
<td>4 Teamwork</td>
<td>Work collaboratively to complete a task.</td>
<td>• Tutorial Participation</td>
</tr>
<tr>
<td>5a Ethical, environmental and sustainability considerations</td>
<td>Identify and assess environmental and sustainability considerations in problems in international macroeconomics.</td>
<td>• Final Exam</td>
</tr>
<tr>
<td>5b Social and cultural awareness</td>
<td>Not specifically addressed in this course.</td>
<td>• Tutorial Papers  • Tutorial Participation  • Final Exam</td>
</tr>
</tbody>
</table>
3 LEARNING AND TEACHING ACTIVITIES

3.1 Approach to Learning and Teaching in the Course
The philosophy underpinning this course and its Teaching and Learning Strategies are based on “Guidelines on Learning that Inform Teaching at UNSW. These guidelines may be viewed at: www.guidelinesonlearning.unsw.edu.au. Specifically, the lectures, tutorials and assessment have been designed to appropriately challenge students and support the achievement of the desired learning outcomes. A climate of inquiry and dialogue is encouraged between students and teachers and among students (in and out of class). The lecturers and tutors aim to provide meaningful and timely feedback to students to improve learning outcome.

3.2 Learning Activities and Teaching Strategies
The examinable content of the course is defined by the references given in the Lecture Schedule, the content of Lectures, and the content of the Tutorial Program.

Lectures
The purpose of Lectures is to provide a logical structure for the topics that make up the course; to emphasize the important concepts and methods of each topic, and to provide relevant examples to which the concepts and methods are applied.

Tutorials
Tutorials are an integral part of the subject. Tutorial presentations will build on the material discussed in class with the lecturer.

Out-of-Class Study
While students may have preferred individual learning strategies, it is important to note that most learning will be achieved outside of class time. Lectures can only provide a structure to assist your study, and tutorial time is limited.

An “ideal” strategy (on which the provision of the course materials is based) might include:

- Reading of the relevant chapter(s) of the text and any readings before the lecture. This will give you a general idea of the topic area.
- Attendance at lectures. Here the context of the topic in the course and the important elements of the topic are identified. The relevance of the topic should be explained.
- Attending tutorials and attempting the tutorial questions.
4 ASSESSMENT

4.1 Formal Requirements

In order to pass this course, you must:

- achieve a composite mark of at least 50 out of 100; and
- make a satisfactory attempt at ALL assessment tasks. This means attendance at 80% of tutorials (8 out of 11) and a mark of at least 40% in all assessment items; and
- achieve a satisfactory level of performance in the final exam. This means a minimum mark of 46 per cent. Any student having an overall mark of 50 or more but less than 46 per cent in the final examination will be given an UF grade (unsatisfactory fail).

4.2 Assessment Details

<table>
<thead>
<tr>
<th>Assessment Task</th>
<th>Weighting</th>
<th>Length</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tutorial Participation</td>
<td>10%</td>
<td>See 4.3 below</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Mid-Session Test</td>
<td>20%</td>
<td>40 minutes</td>
<td>Week 7, Week of 7 September</td>
</tr>
<tr>
<td>Tutorial Papers</td>
<td>30%</td>
<td>2 pages See 4.5 below</td>
<td>Weekly</td>
</tr>
<tr>
<td>Final Exam</td>
<td>40%</td>
<td>2 hours</td>
<td>University Exam Period</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.3 Tutorial Participation

<table>
<thead>
<tr>
<th>Score</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Below 80% of attendance as required by UNSW and BUSINESS SCHOOL rules. Attendance at 8 of 11 tutorials will be deemed as meeting the requirement. Students must sign on by 10 minutes from start of tutorial to qualify as ‘in attendance’. Signing on for another student will be treated as misconduct.</td>
</tr>
<tr>
<td>4</td>
<td>Has satisfied the attendance requirement (attended at least 8 tutorials) but has not contributed to class discussion.</td>
</tr>
<tr>
<td>6-10</td>
<td>Has attended 8-11 tutorials and contributed to class discussion in relevant and constructive ways. Has led discussion on designated topic in a manner which was both instructive and contributed to the discussion.</td>
</tr>
</tbody>
</table>

Students will be asked to lead discussion in one tutorial – topics will be allocated in the first tutorial. Total discussion should take no more than 20 minutes. The mark for this will be incorporated into the tutorial participation mark.

If, owing to illness or other exceptional circumstances, you are unable to attend your usual tutorial, you may try to attend another tutorial in the same week. However, you are required to attend your usual tutorial class at least 8 times during the session. This allows for occasional absence due to minor illness and other
reasons, hence Special Consideration applications will not reduce this requirement.

Students should also note that, in certain circumstances, such as where a request for Special Consideration is made in relation to assessment items, tutorial attendance will be taken into account in determining your final assessment or whether special consideration is granted.

4.4 Mid-Session Tutorial test
There will be a mid-session test during the lecture in Week 7, on 10th September. The test will be in the form of short answer questions. Further details will be put on the course website.

4.5 Weekly Tutorial Papers
Students will be required to submit 6 tutorial papers on-line responding to the discussion questions. When you post a tutorial paper online, the exact time you submitted it will be recorded.

What do I need to include?
Answers to the discussion questions

How much should I aim to write?
750 words.

What makes for a good answer?
- Make sure you answer the question being asked: a relevant answer is important;
- Try to apply the concepts, theories and frameworks you have learnt in the lecture and the readings to help you develop an answer (ie. don’t just guess or use commonsense);
- Show that you understand the key concepts that you are using (DON’T use a term you don’t know the meaning of – look it up first!)
- Make your point of view clear (ie. the reader needs to understand what it is you are arguing)
- Explain your point of view: don’t make assertions without justifying and providing evidence for them;
- If you wish, use examples to help illustrate your point;
- Try to be comprehensive in your answer and think about the different dimensions relating to the question;
- However, quality not quantity: don’t just try to fill up space for the sake of it and don’t just write down everything you know;
- Yes, you may use point form – however, if you use bullet points, make sure you still explain each point;
- Keep in mind that usually in economics there is no single right answer;
- Try to express yourself clearly, although you will not be marked down for spelling errors and grammatical mistakes;
• In your answers to discussion questions, you must refer to the textbook and readings, although you can use additional material (eg. from lectures, library) to expand your argument.

Following these guidelines will help you develop your critical and analytical thinking.

These are also the principles behind a good exam answer so the tutorial paper constitutes valuable exam preparation.

How will I be assessed?
You will be assessed on the basis of
1) whether you have submitted your tutorial paper entries on time (remember, Moodle records the EXACT time you posted your entry);
2) whether you have answered the question asked; and
3) the quality of your entries.

Further details, including marking guide, will be made available on the web.

Tutorial papers will commence in week 3. There will be no paper the week of the midsession test (week 7). There are a total of 9 possible papers, students are required to submit 6 which will be marked for a maximum of 5 marks each, for a total of 30 possible marks. Tutorial papers should be submitted midnight Wednesday – the day before the tutorial. No late papers will be accepted.

4.6 Final Exam Format
The purpose of the final exam is to assess knowledge of economic concepts and their appropriate use, to test the ability to use economic reasoning to make deductions. This will be held in the University examination period (November) and will be 2 hours long. The final exam will cover the entire course. The examination will require answers to two essay questions with some choice given. Further information on the content of the Final Exam will be provided towards the end of session. All material covered in the lectures and tutorial program is examinable.

4.7 Quality Assurance
The BUSINESS SCHOOL is actively monitoring student learning and quality of the student experience in all its programs. A random selection of completed assessment tasks may be used for quality assurance, such as to determine the extent to which program learning goals are being achieved. The information is required for accreditation purposes, and aggregated findings will be used to inform changes aimed at improving the quality of BUSINESS SCHOOL programs. All material used for such processes will be treated as confidential and will not be related to course grades.

5 COURSE EVALUATION AND DEVELOPMENT

Each year feedback is sought from students and other stakeholders about the courses offered in the School and continual improvements are made based on this feedback. UNSW’s Course and Teaching Evaluation and Improvement (CATEI) Process is one of the ways in which student evaluative feedback is gathered. You are strongly encouraged to take part in the feedback process.
6 COURSE RESOURCES

The website for this course is on UNSW Moodle at: http://moodle.telt.unsw.edu.au

Students are expected to:

- Make sure that they are officially enrolled in the correct course
- Familiarize themselves with Moodle
- Access this site at least weekly as the site will contain important announcements about the course, as well as lecture notes and tutorial solutions. In addition, it will carry most of the subject information, as well as a discussion forum where students will be able to discuss course related materials, as well as trial exam questions. It will be assumed that all students have seen any notice posted on the course website.

There is no set textbook for this course, given the range of topics being covered. Instead, each week a number of suggested references will be listed as recommended reading for the lecture topic. Further guidance will be given during lectures. Where possible, key readings will be uploaded progressively during the session on MyCourse: http://lrd.library.unsw.edu.au/F/?func=file&file_name=login&local_base=nsw30cat

The following provide relevant readings, and will be useful for the course:


Full text access for these eBooks is now available in SearchFirst (UNSW Library).

Detailed references are provided in the course outline for the semester, which follows, but students should also refer to recent issues of the following academic journals: *Cambridge Journal of Economics; Journal of Economic Issues, Journal of Post-Keynesian Economics; Review of Political Economy*, and *Review of Keynesian Economics*.

In addition, the *Economics and Labour Relations Review* and *Journal of Australian Political Economy* often include articles that are related to topics and themes covered in this course which are relevant to the Australian economy.

Students should also access the World Economic Association http://www.worldeconomicsassociation.org/index.php, launched in 2011. This

The Marxists.org website has information on many of the major figures of Political Economy, as well as links to original sources: [http://marxists.org/](http://marxists.org/)

### 7 COURSE SCHEDULE

#### 7.1 Lecture Schedule

Lectures start in Week 1 and finish in Week 13. Date is the beginning of the week. You can access all journal articles from the library. References preceded by an asterix * are available from the library online. All journal articles are available from the library website.

<table>
<thead>
<tr>
<th>Week 1 – 27 July: Introduction: What Is This Thing Called “Political Economy”?</th>
</tr>
</thead>
</table>


**ML2** pp. 1-30

History of the student complaints about the way economics has been taught in France and Cambridge and Harvard University’s: [http://www.paecon.net/HistoryPAE.htm](http://www.paecon.net/HistoryPAE.htm)

Australian movement at La Trobe: [http://www.ppesociety.org.au](http://www.ppesociety.org.au)


<table>
<thead>
<tr>
<th>Week 2 – 3 August: Marxian Approaches to Economics</th>
</tr>
</thead>
</table>

Most of Marx’s key contributions can be accessed at Epub archive of Marx and Engels: [http://marxists.org/archive/marx/works/download/epub/index.htm](http://marxists.org/archive/marx/works/download/epub/index.htm)


Jeffries, S The Guardian, Thursday 5 July 2012 “Why Marxism is on the rise again”

**Week 3 – 10 August: The Keynesian Legacy**

JK: Davidson, P. ‘Keynes’s General Theory’.


**Week 4 – 17 August: Kalecki’s Contribution: Pricing, Distribution and Output**

JK: Toporowski, J. ‘Kaleckian economics’.

HK Dixon, R. and Toporowski, J. “Kaleckian Economics”


Week 5 – 24 August: Critique of Mainstream Economics: Method and Methodology


HK Hart, N., Halevi, J. and Kriesler, P. “The traverse, equilibrium analysis, and post-Keynesian economics” Dow, S. “Methodology and post-Keynesian economics”

JK Kriesler, P. “Traverse”


Further Reading:

Week 6 – 31 August: Post-Keynesian Economics: Central Themes: Guest Lecture Geoffrey Harcourt

HP: Holt, R. and Pressman, S. ‘What is Post Keynesian Economics’ (chapter 1); Dow,
ML: chapter 1.
ML2 pp. 30-71
JK Most of it

Further reading:


http://ssrn.com/abstract=2613791

---

**Week 7 – 7 September: Midsession Test – No Tutorials this week**

**Week 8 – 14 September: Alternate Theories of Pricing**

**HP:** Lavoie, M. ‘Pricing’ (chapter 3).

**JK:** Lee, F. S. ‘Pricing and prices’; Shapiro, N. ‘Competition’.

**ML:** chapter 2.

**ML2:** chapter 3

**HK** Coutts, K. and Norman, N. “Post-Keynesian approaches to industrial pricing: a survey” and Lee, F. “Post-Keynesian price theory: from pricing to market governance to the economy as a whole”


---

Further reading


---

**Week 9 – 21 September: Labour and Unemployment**

**HP:** King, J. ‘Labour and unemployment’ (chapter 7).

**JK:** Forstater, M. ‘Unemployment’; Seccareccia, M. ‘Wages and the labour market’ (only in 1st ed.).

**ML2:** chapter 5

---

Further reading:


Series of articles on industrial relations policies in Australia in the Economics and Labour Relations Review, 16 (2) 2006.

and also the Economics and Labour Relations Review, 18 (2) 2008 Beyond Work Choices: Remaking Industrial Relations’.

MIDSESSION BREAK WEEK  Saturday 26 September – Monday 5 October inclusive

Week 10 – 5 October: Money and Finance

HP: Wray, R. ‘Money and Inflation’ (chapter 8).


ML: chapter 3.

ML2: chapter 4

HK: Wray, R. “Money”, Chick, V. and Dow, S. “Post-Keynesian theories of money and credit: conflicts and (some) resolutions” and King, J. “Hyman Minsky and the financial instability hypothesis”


Further Reading:


Week 11 – 12 October: The Political Economy of Macroeconomic Policy

HP: Pressman, S. ‘The role of the state and the state budget’ (chapter 10).


ML2: pp. 339-346


Further reading


**Week 12 & 13: 19 & 26 October The Global Economic Crisis**

**The Global Financial Crisis**

**JK**: Blankenberg, S. ‘Global Financial Crisis’.

**ML**: pp. 142-55.

**HK**: Dymski, G. “The Neoclassical sink and the heterodox spiral: why the twin global crisis has not transformed economics” and Taylor, L. “Keynesianism and the crisis”


Further reading:


From 2008 onwards, there have been a number of articles on the GFC published in Real-World Economics Review: http://www.paecon.net/PAEReview/
7.2 Tutorial Schedule

Tutorials start in Week 2 and finish in Week 13. Tutorials in this course will consist of critical discussions of the question set each week. The recommended readings for the relevant lecture should be regarded as the starting point for research into the questions. In order to prepare for these sessions, students will be required to keep a record of their tutorial preparations for these tutorials in the form of an on-line tutorial paper, as well as being asked to lead the discussion of one tutorial.

**Week 2 – 3 August: INTRODUCTION AND ALLOCATION OF TOPICS**

**Tutorial Question.**
What are your views on the criticisms of conventional economics presented in the Cross paper?

There is no tutorial presentation question set for week 2; questions will be allocated to students during this tutorial.

**Week 3 – 10 August: MARXIAN APPROACHES TO ECONOMICS**

**Tutorial Question**

‘But capitalism has greatly changed and expanded in the last hundred years, and its analysis requires that the theory expounded by Marx should be supplemented and to some extent modified to take account of these developments...’ [Sweezy, P. (1981) ‘The contradictions of capitalism’ in his Four Lectures on Marxism, Monthly Review Press, p.26]

Discuss this argument and evaluate the usefulness of Marxian analysis in analysing modern capitalist economies.

**Week 4 – 17 August: THE KEYNESIAN LEGACY**

**Tutorial Question**
What, according to Keynes, is the role of effective demand in capitalist economies? How is effective demand determined, and what is the role of uncertainty?

**Week 5 – 24 August: KALECKI'S CONTRIBUTION**

**Tutorial Question**
How was Kalecki “able to weave the analysis of imperfect competition and of effective demand together” to explain the determination of unemployment?

**Week 6 – 31 August: CRITIQUE OF MAINSTREAM ECONOMICS: METHOD AND METHODOLOGY**

**Tutorial Question**

‘Once we admit that an economy exists in time, that history goes one way, from irrevocable past into the unknown future, the conception of equilibrium based on mechanical analogy of a pendulum swinging to and fro in space becomes untenable. The whole of traditional economics needs to be thought out afresh’ (Robinson). Discuss
**Week 7 – 7 September: Mid-Session Test  No Tutorials**

**Week 8 – 14 September: POST KEYNESIAN ECONOMICS**

**Tutorial Question**

“Post-Keynesians are sceptical of the usefulness of the equilibrium method and favour an approach based on path-determined models with, due to the influence of uncertainty on economic decisions, an important role assigned to money, institutions and rules of thumb.” (Hart and Kriesler 2015)

Explain and evaluate.

**Week 9 – 21 September: ALTERNATE THEORIES OF PRICING**

**Tutorial Question**

How does the way in which political economists analyse price differ from the way in which mainstream economists analyse it? In what ways do prices serve different function between them?

**MIDSESSION BREAK Saturday 26 September – Monday 5 October**

**Week 10 – 5 October: LABOUR AND UNEMPLOYMENT**

**Tutorial Question**

‘Explain how the search for higher profits leads to a drive to exercise control over workers. In what ways is this control exerted?’

**Week 11 – 12 October: MONEY AND FINANCE**

**Tutorial Question**

According to political economists, in what ways can money and finance influence the economy?

**Week 12 – 19 October: THE POLITICAL ECONOMY OF MACROECONOMIC POLICY**

**Tutorial Question**

‘Put simply, government spending is not constrained by the capacity to collect tax revenue and/or borrow from the private sector; budget deficits do not lead inevitably to the accumulation of government debt. Budget deficits become ‘irresponsible’ only when the implied policy stance is inappropriate to the prevailing economic circumstances’(Hart 2009: 50).

Explain this statement and consider the relevance of ‘functional finance’ to present economic circumstances.

**Week 13 – 26 October: THE GLOBAL FINANCIAL CRISIS and REVISION**