

# EC204-30 Economics 2

**24/25**

**Department**

Economics

**Level**

Undergraduate Level 2

**Module leader**

Jennifer Smith

**Credit value**

30

**Module duration**

20 weeks

**Assessment**

Multiple

**Study location**

University of Warwick main campus, Coventry

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## Description

### Introductory description

From this module students can develop a deeper understanding of economic concepts introduced in analysis. It will also introduce to new concepts in both micro and macroeconomic analysis and in the analysis of public policy issues such as market failure and counter-inflation policy.

[Module web page](#)

### Module aims

The module aims to enable students to develop a deeper understanding of economic concepts introduced in first-year analysis and to introduce new concepts in both micro and macroeconomic analysis. New concepts include material drawn from general equilibrium, welfare economics, game theory, modern macroeconomic theory, monetary policy, and macro-labour models. The module aims to introduce students to the analysis of public policy issues such as market failure and counter-inflation policy.

### Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

The module will typically cover some of the following topics:

Microeconomics: consumer theory, preferences, indifference curves, budget constraints, optimisation, revealed preference, Hicksian and Slutsky analysis. Choice under uncertainty: expected value and expected utility, insurance, asymmetric information including moral hazard and adverse selection. The analysis of general equilibrium and welfare economics. Consideration of the economics of public policy issues such as externalities and public goods. Game theoretic approaches to oligopoly, entry and other strategic areas in industrial and business economics. Macroeconomics The three equations underlying modern macroeconomic theory and policymaking. Monetary policy. The open economy. Macro-labour models.

## Learning outcomes

By the end of the module, students should be able to:

- Subject knowledge and understanding:...demonstrate knowledge of macroeconomic policies and understand the role of theory in analysing their effectiveness. The teaching and learning methods that enable students to achieve this learning outcome are: Lectures, Reading, Exercise question sheets, Seminar discussions, Assessed Essays. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays (summative), Summer Examination (summative).
- Subject knowledge and understanding:... abstract and simplify economic problems through the application of theoretical models.
- Key Skills:... communicate knowledge and understanding of economics in written, spoken, graphical and in mathematical forms. The teaching and learning methods that enable students to achieve this learning outcome are: Exercise question sheets, Assessed Essays and Seminar discussions. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays (summative), Summer Examination (summative).
- Subject knowledge and understanding:...apply rigorous knowledge of theoretical models which underlie economic analysis. The teaching and learning methods that enable students to achieve this learning outcome are: Lectures, Reading, Exercise question sheets, Seminar discussions, Assessed Essays. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays (summative), Summer Examination (summative).
- Subject knowledge and understanding:...understand the uses, applications and limitations of theoretical models. The teaching and learning methods that enable students to achieve this learning outcome are: Exercise question sheets, Seminar discussions, Assessed Essays. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays (summative), Summer Examination (summative).
- Subject knowledge and understanding:...demonstrate knowledge of microeconomic policies. The teaching and learning methods that enable students to achieve this learning outcome are: Lectures, Reading, Exercise question sheets, Seminar discussions, Assessed Essays. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays (summative), Summer Examination (summative).
- Cognitive Skills:...analyse competing models and hypotheses in a critical way. The teaching

and learning methods that enable students to achieve this learning outcome are: Exercise question sheets, Readings and Assessed Essays. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative) Essay (summative), Summer Examination (summative).

- Key Skills:...present the output of their own work to an audience. The teaching and learning methods that enable students to achieve this learning outcome are: Seminar discussions and Assessed Essays. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays (summative)
- Key Skills:...conduct individual and collaborative research into an Economic topic, using world wide web and library resources. The teaching and learning methods that enable students to achieve this learning outcome are: Exercise question sheets, seminar discussions and Assessed Essays. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays (summative)
- Cognitive Skills:...analyse and formulate models for understanding and solving problems. The teaching and learning methods that enable students to achieve this learning outcome are: Exercise question sheets, Assessed Essays and Seminar discussions. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays, Group Projects (formative), Summer Examination.
- Subject-Specific/Professional Skills:...select and apply appropriate economic models and techniques to particular problems especially those of a policy nature. The teaching and learning methods that enable students to achieve this learning outcome are: Lectures, Reading, Exercise question sheets, Assessed Essays and Seminar discussions. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays (summative), Summer Examination (summative).
- Subject-Specific/Professional Skills:...produce concise and analytical reports relating to economic problems and issues. The teaching and learning methods that enable students to achieve this learning outcome are: Assessed Essays and Seminar presentations. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays (summative), Summer Examination (summative).
- Subject knowledge and understanding:...understand key concepts and principles in intermediate microeconomics and macroeconomics. The teaching and learning methods that enable students to achieve this learning outcome are: Lectures, Reading, Exercise question sheets, Seminar discussions, Assessed Essays. The assessment methods that measure the achievement of this learning outcome are: Exercise question sheet answers (formative), Essays (summative), Summer Examination (summative).

## **Indicative reading list**

Please see Talis Aspire link for most up to date list.

[View reading list on Talis Aspire](#)

## **Subject specific skills**

Students will have the opportunity to develop skills in:

- Analytical thinking and communication
- Analytical reasoning
- Critical thinking
- Creative thinking
- Strategic thinking
- Problem-solving
- Abstraction
- Policy evaluation
- Analysis of institutions
- Analysis of incentives
- Analysis of Optimisation
- Understanding of Uncertainty and Incomplete Information

### **Transferable skills**

Students will have the opportunity to develop:

- Research skills
- Numeracy and quantitative skills
- IT skills
- Written communication skills
- Oral communication skills
- Mathematical, statistical and data-based research skills

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## **Study**

### **Study time**

| <b>Type</b>   | <b>Required</b>             |
|---------------|-----------------------------|
| Lectures      | 40 sessions of 1 hour (13%) |
| Seminars      | 16 sessions of 1 hour (5%)  |
| Private study | 244 hours (81%)             |
| Total         | 300 hours                   |

### **Private study description**

Private study will be required in order to prepare for seminars/classes, to review lecture notes, to prepare for forthcoming assessments, tests, and exams, and to undertake wider reading around the subject.

### **Costs**

No further costs have been identified for this module.

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## Assessment

You do not need to pass all assessment components to pass the module.

Students can register for this module without taking any assessment.

### Assessment group DD

|   | <b>Weighting</b> | <b>Study time</b> |
|---|------------------|-------------------|
| Essay 1   | 10%              |                   |
| Assignment 1 First 1000-word essay  |                  |                   |
| Essay 2   | 10%              |                   |
| Assignment 2 Second 1000-word essay   |                  |                   |
| Participation in and engagement with Support and Feedback classes                     | 10%              |                   |
| 4 x quizzes (2.5% each)   | 10%              |                   |
| Examination   | 60%              |                   |
| A paper which examines the course content and ensures learning outcomes are achieved. |                  |                   |

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- Students may use a calculator

### Assessment group R2

|   | <b>Weighting</b> | <b>Study time</b> |
|---|------------------|-------------------|
| Examination   | 100%             |                   |
| A paper which examines the course content and ensures learning outcomes are achieved. |                  |                   |

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- Students may use a calculator

## Feedback on assessment

The Department of Economics is committed to providing high quality and timely feedback to students on their assessed work, to enable them to review and continuously improve their work. We are dedicated to ensuring feedback is returned to students within 20 University working days of their assessment deadline. Feedback for assignments is returned either on a standardised assessment feedback cover sheet which gives information both by tick boxes and by free comments or via free text comments on tabula, together with the annotated assignment. For tests and problem sets, students receive solutions as an important form of feedback and their marked assignment, with a breakdown of marks and comments by question and sub-question. Students

are informed how to access their feedback, either by collecting from the Undergraduate Office or via tabula. Module leaders often provide generic feedback for the cohort outlining what was done well, less well, and what was expected on the assignment and any other common themes. This feedback also includes a cumulative distribution function with summary statistics so students can review their performance in relation to the cohort. This feedback is in addition to the individual-specific feedback on assessment performance.

[Past exam papers for EC204](#)

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## Availability

### Pre-requisites

Any of:

EC106-30 Introduction to Economics OR

EC107-30 Economics 1 OR

EC108-30 Macroeconomics 1 AND EC109-30 Microeconomics 1 OR

EC131-15 Economics for Business AND EC229-15 Economics of Strategy AND IB121-15 Business Statistics (with a mark of at least 60%) AND IB122-15 Business Analytics (with a mark of at least 60%)

To take this module, you must have passed:

- Any of
  - [EC106-24 Introduction to Economics](#)
  - [EC107-30 Economics 1](#)
  - All of
    - [EC108-30 Macroeconomics 1](#)
    - [EC109-30 Microeconomics 1](#)
  - All of
    - [EC131-15 Economics for Business](#)
    - [EC229-12 Economics of Strategy](#)
    - [EC229-15 Economics of Strategy](#)
    - [IB121-15 Business Statistics](#)
    - [IB122-15 Business Analytics](#)

### Post-requisite modules

If you pass this module, you can take:

- EC312-15 International Economics
- EC326-15 Industrial Economics 2: Strategy & Planning
- EC313-15 The International Economy in the Twentieth Century

- EC336-15 International Trade
- EC339-15 Applied Macroeconomics
- EC342-15 Topics in Economic History
- EC342-15 Topics in Economic History
- EC343-15 Topics in Applied Economics (3b)
- EC343-15 Topics in Applied Economics (3b)
- EC337-15 Industrial Economics 2: Market Economics, Competition & Regulation
- EC346-15 Research Methods in Economics
- EC346-15 Research Methods in Economics
- EC301-15 Mathematical Economics 2: Dynamics, Uncertainty & Asymmetrical Information
- EC307-15 Macroeconomic Policy in the EU
- EC333-15 Topics in Financial Economics: Theories and International Finance
- EC333-15 Topics in Financial Economics: Theories and International Finance
- EC340-15 Topics in Applied Economics (3a)
- EC340-15 Topics in Applied Economics (3a)
- EC320-15 Economics of Public Policy
- EC334-15 Topics in Financial Economics: Corporate Finance and Markets
- EC310-15 Topics in Development Economics
- EC310-15 Topics in Development Economics
- EC345-15 Behavioural Economics: Theory and Applications
- EC236-15 Topics in Applied Economics (2b)
- EC236-15 Topics in Applied Economics (2b)
- EC331-30 Research in Applied Economics
- EC331-30 Research in Applied Economics
- EC331-30 Research in Applied Economics

### **Anti-requisite modules**

If you take this module, you cannot also take:

- EC201-30 Macroeconomics 2
- EC202-30 Microeconomics 2

### **Courses**

This module is Core for:

- Year 2 of UIPA-L1L8 Undergraduate Economic Studies and Global Sustainable Development
- UECA-4 Undergraduate Economics 4 Year Variants
  - Year 2 of LM1H Economics, Politics & International Studies with Study Abroad
  - Year 2 of LM1H Economics, Politics & International Studies with Study Abroad
- UECA-LM1D Undergraduate Economics, Politics and International Studies
  - Year 2 of LM1D Economics, Politics and International Studies
  - Year 2 of LM1D Economics, Politics and International Studies
- UPHA-L1CA Undergraduate Economics, Psychology and Philosophy
  - Year 2 of L1CC Economics, Psychology and Philosophy (Behavioural Economics)

Pathway)

- Year 2 of L1CD Economics, Psychology and Philosophy (Economics with Philosophy Pathway)
- ULNA-R1L4 Undergraduate French and Economics (4-year)
  - Year 2 of R1L4 French and Economics
  - Year 3 of R1L4 French and Economics
- Year 2 of ULNA-R2L4 Undergraduate German and Economics (4-year)
- Year 2 of ULNA-R4L1 Undergraduate Hispanic Studies and Economics (4-year)
- Year 2 of ULNA-R3L4 Undergraduate Italian and Economics (4-year)
- Year 2 of UMAA-GL11 Undergraduate Mathematics and Economics
- Year 2 of UECA-GL12 Undergraduate Mathematics and Economics (with Intercalated Year)
- Year 2 of ULNA-R9L1 Undergraduate Modern Languages and Economics (4-year)
- UPHA-V7ML Undergraduate Philosophy, Politics and Economics
  - Year 2 of V7MR Philosophy, Politics and Economics (Bipartite with Economics Major)
  - Year 2 of V7ML Philosophy, Politics and Economics (Tripartite)
  - Year 2 of V7ML Philosophy, Politics and Economics (Tripartite)
  - Year 2 of V7ML Philosophy, Politics and Economics (Tripartite)
- UPHA-V7MM Undergraduate Philosophy, Politics and Economics (with Intercalated year)
  - Year 2 of V7MS Philosophy, Politics and Economics (Bipartite with Economics Major) (with Intercalated Year)
  - Year 2 of V7MS Philosophy, Politics and Economics (Bipartite with Economics Major) (with Intercalated Year)

This module is Core optional for:

- Year 2 of UIPA-L1L8 Undergraduate Economic Studies and Global Sustainable Development
- Year 3 of ULNA-R1L4 Undergraduate French and Economics (4-year)
- Year 2 of USTA-G300 Undergraduate Master of Mathematics, Operational Research, Statistics and Economics
- USTA-Y602 Undergraduate Mathematics, Operational Research, Statistics and Economics
  - Year 2 of Y602 Mathematics, Operational Research, Stats, Economics
  - Year 2 of Y602 Mathematics, Operational Research, Stats, Economics

This module is Optional for:

- UPHA-L1CA Undergraduate Economics, Psychology and Philosophy
  - Year 2 of L1CE Economics, Psychology and Philosophy (Philosophy and Psychology Pathway)
  - Year 3 of L1CE Economics, Psychology and Philosophy (Philosophy and Psychology Pathway)
- Year 4 of UPHA-L1CB Undergraduate Economics, Psychology and Philosophy (with Intercalated Year)
- Year 4 of UIBA-N140 Undergraduate International Business
- Year 4 of UIBA-N1R1 Undergraduate International Business with French
- Year 4 of UIBA-N1R2 Undergraduate International Business with German
- Year 4 of UIBA-N1R3 Undergraduate International Business with Italian



- Year 4 of UIBA-N1R4 Undergraduate International Business with Spanish

This module is Unusual option for:

- Year 2 of UPHA-L1CA Undergraduate Economics, Psychology and Philosophy
- UPHA-V7ML Undergraduate Philosophy, Politics and Economics
  - Year 2 of V7MR Philosophy, Politics and Economics (Bipartite with Economics Major)
  - Year 2 of V7MP Philosophy, Politics and Economics (Bipartite)
  - Year 2 of V7MP Philosophy, Politics and Economics (Bipartite)

This module is Core option list A for:

- Year 3 of ULNA-R9L1 Undergraduate Modern Languages and Economics (4-year)
- UPHA-V7ML Undergraduate Philosophy, Politics and Economics
  - Year 2 of V7MP Philosophy, Politics and Economics (Bipartite)
  - Year 2 of V7MP Philosophy, Politics and Economics (Bipartite)

This module is Core option list C for:

- Year 3 of ULNA-R2L4 Undergraduate German and Economics (4-year)
- Year 3 of ULNA-R3L4 Undergraduate Italian and Economics (4-year)

This module is Option list A for:

- Year 2 of USTA-G300 Undergraduate Master of Mathematics, Operational Research, Statistics and Economics
- USTA-Y602 Undergraduate Mathematics, Operational Research, Statistics and Economics
  - Year 2 of Y602 Mathematics, Operational Research, Stats, Economics
  - Year 2 of Y602 Mathematics, Operational Research, Stats, Economics

This module is Option list B for:

- UIBA-N203 BSc in International Management
  - Year 4 of N203 International Management
  - Year 4 of N203 International Management
- Year 3 of UIBA-N201 BSc in Management
- Year 4 of UIBA-N202 BSc in Management (with Intercalated Year/UPP)
- Year 3 of UIBA-NN35 Undergraduate Accounting and Finance
- UIBA-NN36 Undergraduate Accounting and Finance (with Intercalated Year/Undergraduate Partnership Programme)
  - Year 4 of NN36 Accounting and Finance (Intercalated)
  - Year 4 of NN37 Accounting and Finance (Undergraduate Partnership Programme)
- USTA-GG14 Undergraduate Mathematics and Statistics (BSc)
  - Year 2 of GG14 Mathematics and Statistics
  - Year 2 of GG14 Mathematics and Statistics