

ECON 1010 – Macroeconomics 1

Policy Brief Project (40 marks)

1. Overview

We have developed the analytical tools that economists use when discussing policy options and have discussed its likely impacts on the economy in theory.

In this assignment you take the role of the policy advisors, employed by government departments (your clients are therefore the government and its ministers) to apply those skills and expertise knowledge accumulated in this course so far.

As an expert's role in the government decision making process, your task has the following two objectives:

Analysis: Experts are responsible for analysing the economic scenario (depicting the likely impact of the policy on the economy), using the specialised knowledge and the technical expertise in the discipline.

Communication skills: Experts must communicate their finding and recommendations effectively to the decision-makers in government – ministers and senior public servants – who in many instances, do not share the same technical skills and specialised knowledge as experts.

This assignment is designed to test your aptitude in both of these domains. You are about to carry out policy analysis regarding a macroeconomic shock that the economy is currently experiencing based on your observation in Part A.

There will be three parts to this assignment:

Overview of task:

Part A: Diagnostics (macroeconomics data collection and interpretations)

Task: You apply knowledge to the macroeconomics data and present a diagnostic analysis of the economy. Make important observations and identify the problem in the economy.

Part B: Policy brief report

Task: You form the policy recommendation and communicate with your client in the form of a policy brief. Policy briefs aim to be practical and well-researched in order to make useful recommendations.

Part C: Micro-credential (Information Literacy)

Task: You are required to complete the micro-credential (Information Literacy) which will help enhance your skills in searching for, organising and interpreting information.

2. Grading

There are a total of 40 marks available in this assignment. The marking criteria for this task can be found in the attached rubric

Grade allocations and % contribution of each component is summarised in the following table:

	Mark allocation	Awarded to
Part A & B	38	Group
Part C - Micro credential	2	Individual
Total	40	

Please see Template about how marks within Group members will be allocated based on each members' contributions. Please note that Part C for Micro-credential is an individual task.

3. Submission

Group: minimum group size of TWO and a maximum group size of THREE. **All group members must be enrolled in the same tutorial (a strict requirement).**¹ See Canvas for further details on how to form groups.

Turnitin: as you upload your report to Canvas, note that it will be automatically transferred to the *Turnitin*² website and screened for plagiarism. The following penalty will be imposed for signs of plagiarism (the similarity index excludes a list of references):

over 30% similarity, 10% deducted from the overall mark (ie, 40)

over 40% similarity, 20% deducted from the overall mark (ie, 40)

over 50% similarity, 30% deducted from the overall mark (ie, 40)

Formatting requirements:

Your assignment must be typed using this Template only. The system will reject any form of the file other than this template (Failing to meet this requirement will automatically mean zero marks for this task).

¹ If we find out at a later date that the group includes a student from a different class, **ALL** the members of this group will be awarded zero marks for this assignment.

² <https://en.wikipedia.org/wiki/Turnitin>

All sections of the assignment should be included in the same document by following the template. The report should have a professional appearance, appropriate to a government workplace. Format your assignment as follows;

- Use A4 sized paper with all margins at least 2.5cm
- Body text to be 12pt and black (no minimum line spacing)
- All pages to be numbered
- DO NOT include a cover sheet or table of contents
- Strictly follow the template
- Stick to the page number restriction instructed in the template

4. Instructions

Part A: Diagnostics analysis

Task: You apply knowledge of the macroeconomics data and present a diagnostic analysis of the economy. Make important observations and identify the problems in the economy. The identified problems form a basis for Part B.

Required steps: You must complete the following (each step in order) to carry out the analytical task:

1. Choose any 2 indicators from the following list and find the most appropriate table/figure from the data sources below for each indicator for a country of your choice.

Indicators – GDP, CPI, GDP deflator, Unemployment, Interest rates, Saving, Consumption, Government debt, Household debt

2. Describe the most recent long-term (eg, annual data which is long enough to make useful inferences) trends of the chosen indicators. Make observations if any big change in trends and identify any problems in the economy.
3. Repeat step 1 with the most recent short-run time horizon (eg, quarterly or monthly data which is long enough to make useful inferences) of the chosen indicators.

Data sources: You may obtain the required data by searching below (you must cite which data source used);

<https://www.abs.gov.au/ausstats/abs@.nsf/mf/1345.0>

<https://data.worldbank.org/>

<https://sdb.sadb.org/sdb/>

<https://www.imf.org/en/Data>

<https://data.oecd.org/>

<https://treasury.gov.au/statistical-data/>

Alternatively, you can use any other online data sources you find as long as it is properly cited in your report (**we will check the validity of the sources**)

Please closely follow the template to complete this section

Part B: Policy brief

Task: You form a policy recommendation and communicate with your client in the form of a policy brief. Policy briefs aim to be practical and well-researched in order to make useful recommendations.

Based on what you gathered about the economy, you write a policy brief in this part.

A policy brief is quite different from essay or report writing. Emphasis is placed on the clarity and succinctness of the brief, which is essential in persuading the target audience of your key message. Policy briefs aim to be practical and well-researched in order to make timely evidence-based recommendations.

The purpose of this policy brief is to communicate your diagnostic in Part A and the analytical discussions in Part B by making the best policy recommendation to the decision maker. You need to provide enough information for the decision maker to understand your recommendations and to reach a decision on the matter at hand. However, senior government officials only have limited time, so you must be brief and straight to the point.

When writing a brief, it is important to remember that it is for a non-expert audience. You must avoid using specialised economic terminology and state everything in plain English.

Hint: Draw on the evidence you have gathered from Part A as much as you can. You can use other information or evidence not covered there, but that you believe is useful. In that case, you need to cite the source correctly.

General Checklist:

Here are some general guidelines. A policy brief should:

- ✓ Have a clear and specific purpose or focus - a policy brief should have a particular audience in mind. This could be the person making the decision, an advocacy group, or the media. It is important to keep this audience in mind when evaluating what information needs to be included in the brief. What do they know about the issue already? What new information would provide insight to the issue? The brief should be limited to one issue or problem.
- ✓ Be practical and based on evidence - a policy brief aims to be persuasive and a big part of convincing the target audience of your key message is supporting your ideas with

evidence. Evidence should be used to indicate that there is an issue with existing policy and to make recommendations. A policy brief is a practical tool that has real world implications.

- ✓ Be accessible and succinct - a policy brief uses language that is familiar to the target audience in a clear and simple manner. It should also be logical and be easy to follow. The assumption should be made that the target audience does not have time to read a lot of text, so the brief should be formatted clearly with descriptive headings.
- ✓ Include a list of references or acknowledged sources - this is so information or statistics can be found and followed up on, if necessary.

Some examples of a policy brief;

<https://piie.com/research/publications/policy-briefs>

<https://devpolicy.crawford.anu.edu.au/publications/policy-briefs>

Please closely follow the template to write up your report.

Part C: Micro-credential on Information Literacy

You are required to:

- ✓ complete the Information Literacy micro-credential. A link is available on the Canvas site for this course.
- ✓ provide a screen capture of your badge completion screen and a copy of the badge from the Information Literacy micro-credential: Claiming Your Badge and Copying The URL For Submission. Pdf
- ✓ **You need to submit this individually in Canvas**