



ECON991

Economics for Actuaries

S1 Day 2014

Economics

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General Information

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Credit points

4

Prerequisites

4cp in ACST or AFAS or ECON units at 600 or 800 level

Corequisites

Co-badged status

ECON649 Economic Analysis

Unit description

The aim of this unit is to provide a postgraduate-level foundation in modern economic analysis, with applications to decision making in business, for postgraduate actuarial students. The unit provides students with the knowledge and tools to use microeconomic and macroeconomic theory and concepts in analysing business decision making and an understanding of the broader social, economic and regulatory environment in which businesses operate.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

Learning Outcomes

On successful completion of this unit, you will be able to:

Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics

Explain, compare, contrast and analyse these concepts, models and theories logically and coherently

Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations

Identify and then use relevant economic diagrams to assist with explanations and applications

Understand the behaviour of individuals and firms and the operation of markets in the economy

Understand the role of the government and the central bank in the economy and the instruments available to them to manage the economy

Assessment Tasks

Name	Weighting	Due
1. Online Test	10%	Week 4

Name	Weighting	Due
2. Assignment 1	15%	Week 8
3. Assignment 2	15%	Week 11
4. Final Examination	60%	TBA

1. Online Test

Due: **Week 4**

Weighting: **10%**

The purpose of this test is to examine your understanding of the concepts and models learnt in the first few weeks. This task's aim is to provide you with some early feedback about your progress in the course. The test will consist of a series of multiple choice style questions.

If you do not complete the test you will be awarded a mark of zero (0). The only exception to not completing the test is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University's policy on the Special Consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

Submission

The test will be completed online during week 4 and more details will be made available by the end of week 2.

Extension

NA

Penalties

If you do not complete the test you will be awarded a mark of zero (0). The only exception to not completing the test is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University's policy on the Special Consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

On successful completion you will be able to:

- Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics
- Apply, analyse, evaluate, and suggest solutions using these concepts, models and

theories to real world economic problems or practical situations

2. Assignment 1

Due: **Week 8**

Weighting: **15%**

The purpose of the assignment is to examine your ability to understand and apply (i) microeconomic concepts learnt in the first seven weeks of the course (ii) macroeconomic concepts that will require you to do some independent reading. The assignment will consist of a number of calculation based problem solving questions. The assignment will be available to students in week 4 on the unit web page.

Submission

The assignment is due in week 8 of session – May 5 – 9 – and must be handed in during your class. You must hand in your assignment in the class in which you are enrolled.

Extension

No late assignments will be accepted. If an assignment is submitted late it will receive a mark of 0.

If you cannot submit your assignment on time because of documented illness or unavoidable disruption please consider applying for Special Consideration. The University's policy on the Special Consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

We will endeavour to return your marked assignment with comments in Week 12.

Penalties

If an assignment is submitted late it will receive a mark of 0.

On successful completion you will be able to:

- Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics
- Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations
- Identify and then use relevant economic diagrams to assist with explanations and applications
- Understand the behaviour of individuals and firms and the operation of markets in the economy

3. Assignment 2

Due: **Week 11**

Weighting: **15%**

The purpose of the assignment is to examine your ability to understand and apply concepts learned through independent study on a variety of topics. The assignment will consist of a number of calculation based problem solving questions. The assignment will be available to students in week 4 on the unit web page.

Submission

The assignment is due on the 30th of May and must be handed in at the front desk on Level 2 of E4A.

Marked assignments can be collected from front desk on Level 2 of E4A from the 13th of June

Extension

No late assignments will be accepted. If an assignment is submitted late it will receive a mark of 0.

If you cannot submit your assignment on time because of documented illness or unavoidable disruption please consider applying for Special Consideration. The University's policy on the Special Consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

Penalties

If an assignment is submitted late it will receive a mark of 0.

On successful completion you will be able to:

- Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics
- Explain, compare, contrast and analyse these concepts, models and theories logically and coherently
- Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations
- Identify and then use relevant economic diagrams to assist with explanations and applications
- Understand the behaviour of individuals and firms and the operation of markets in the economy
- Understand the role of the government and the central bank in the economy and the

instruments available to them to manage the economy

4. Final Examination

Due: **TBA**

Weighting: **60%**

A 2 hour final examination for this unit will be held during the Macquarie University final examination period.

All topics studied during the semester are examinable. The exam will consist of multiple choice questions and questions requiring written answers (more detail about the structure will be provided towards the end of the semester). The final exam will give you an opportunity to demonstrate the depth and breadth of your knowledge of basic economic concepts, the economic way of thinking and in using your knowledge to solve economic problems.

Submission

The University Examination period for Session 2, 2013 is from **November 11 – 29**.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

Extension

Failure to sit the final exam at the designated day and time will result in a mark of 0 being awarded. The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University's policy on the Special Consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period.

The Macquarie University examination policy details the principles and conduct of examinations at the University. The policy is available at:

<http://www.mq.edu.au/policy/docs/examination/policy.html>

Penalties

Failure to sit the final exam at the designated day and time will result in a mark of 0 being awarded.

On successful completion you will be able to:

- Understand the key economic concepts, models and theories of introductory

microeconomics and macroeconomics

- Explain, compare, contrast and analyse these concepts, models and theories logically and coherently
- Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations
- Identify and then use relevant economic diagrams to assist with explanations and applications
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Delivery and Resources

Classes

- There is one 3 hour lecture per week that you must attend.
- You are expected to attend the lecture group you are formally enrolled in. Changes are not permitted. If you have any questions or issues regarding your timetable please see the staff at the Business and Economics Graduate Centre on Level 2, E4A for assistance.
- The timetable for classes can be found on the University web site at:
<http://www.timetables.mq.edu.au/>
- There will be three workshops held during the semester. These workshops are designed to review and reinforce the material covered in lectures and in the required reading.
- These workshops will be held during normal lecture times during weeks 5, 7 and 13.
- Details concerning the questions to be covered during the workshops can be downloaded from the unit web page.

Required and Recommended Texts and/or Materials

Textbook

- The textbooks for this course are:

Frost, L., Taylor, J., Weerapana, A. and Schuwalow, P. (2013) *Microeconomics: Principles and Practice*, Cengage Learning.

Littleboy, B., Taylor, J. and Weerapana, A (2013) *Macroeconomics: Principles and Practice*, Cengage Learning.

The textbooks can be purchased from the Co-op bookstore located on campus.

- The textbooks are available to borrow from the Macquarie University library.

The publisher provides access to the online learning resource Aplia through the iLearn website for this course.

Technology Used and Required

- Students will require a non-programmable calculator for completion of workshop tasks, test 1 and the final exam. A calculator is non-programmable if it does not have any memory, or if it is capable of storing only numerical data within its memory.
- Students will also require access to a computer to view the unit website, view the publisher's website for the set text, and for email communication with staff. The University provides students access to computers on campus – for more information please enquire at Business and Economics Student Services centre (BESS) in E4B 106.

Unit Web Page

- Course material is available on the learning management system (iLearn)
- The web page for this unit can be found at: <https://ilearn.mq.edu.au/login/MQ/>

Teaching and Learning Activities

- This unit will be taught using a combination of both lectures and workshops.
- It is expected that students will:
 - Attend all lectures and workshops
 - Read the set chapters from their textbook and any supplementary readings – preferably in advance of lecture attendance
 - Prepare for workshops in advance
- A comprehensive calendar of topics to be covered on a week by week basis can be found in the Unit Schedule.

Unit Schedule

MICROECONOMICS	Topic	Required Reading	Reminders
WEEK			

1 <i>Mar 3 – 7</i>	Introduction, the Economic Way of Thinking and the Production Possibility Frontier	Frost et al., Chs 1 (including appendix), & 2	
2 <i>Mar 10 – 14</i>	The Supply and Demand Model	Frost et al., Ch 3	
3 <i>Mar 17 – 21</i>	The Demand Curve and The Supply Curve	Frost et al., Chs 4 & 5	
4 <i>Mar 24 – 28</i>	Elasticity and the Costs of Production (Part 1)	Frost et al., Chs 6 & 7	Test 1
5 <i>Mar 31 – Apr 4</i>	Costs of Production (Part 2)	Frost et al., Ch 7	Workshop 1
6 <i>Apr 7 – 11</i>	A Competitive Market and Monopoly (Part 1)	Frost et al., Chs 8 & 9	
<i>Apr 14 – 25</i>	Mid Semester Break		
7 <i>Apr 28 – May 2</i>	Monopoly (Part 2.)	Frost et al., Ch 9	Workshop 2
Macroeconomics 8 <i>May 5 – 9</i>	Introduction to Macroeconomics: GDP, Business Cycles and Inflation	Littleboy et al., Chs 1,2,3 & 4	Assignment 1 Due
9 <i>May 12 – 16</i>	Introduction to Macroeconomics: Labour and Money and Banking	Littleboy et al., Chs 5 & 6	
10 <i>May 19 – 23</i>	Aggregate Expenditure Line Model and the Multiplier	Littleboy et al., Chs 7 & 8	

11 <i>May 26 – 30</i>	Monetary Policy and the Economic Fluctuations Model (Part 1)	Littleboy et al., Chs 9 & 10	Assignment 2 Due
12 <i>Jun 2 – 6</i>	Monetary Policy and the Economic Fluctuations Model (Part 2) Fiscal Policy (Part 1)	Littleboy et al., Chs 11 & 12	
13 <i>Jun 10 – 13</i>	Fiscal Policy (Part 2)	Littleboy et al., Ch 13	Workshop 3
<i>Jun 16 – Jul 4</i>	Final Exam Period		

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](#). Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy http://mq.edu.au/policy/docs/academic_honesty/policy.html

Assessment Policy <http://mq.edu.au/policy/docs/assessment/policy.html>

Grading Policy <http://mq.edu.au/policy/docs/grading/policy.html>

Grade Appeal Policy <http://mq.edu.au/policy/docs/gradeappeal/policy.html>

Grievance Management Policy http://mq.edu.au/policy/docs/grievance_management/policy.html

Disruption to Studies Policy http://www.mq.edu.au/policy/docs/disruption_studies/policy.html *The Disruption to Studies Policy is effective from March 3 2014 and replaces the Special Consideration Policy.*

In addition, a number of other policies can be found in the [Learning and Teaching Category](#) of Policy Central.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/support/student_conduct/

Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

Learning Skills

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

Student Enquiries

For all student enquiries, visit Student Connect at ask.mq.edu.au

IT Help

For help with University computer systems and technology, visit <http://informatics.mq.edu.au/help/>.

When using the University's IT, you must adhere to the [Acceptable Use Policy](#). The policy applies to all who connect to the MQ network including students.

Graduate Capabilities

PG - Discipline Knowledge and Skills

Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen fields.

This graduate capability is supported by:

Learning outcomes

- Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics
- Explain, compare, contrast and analyse these concepts, models and theories logically and coherently
- Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations
- Identify and then use relevant economic diagrams to assist with explanations and applications

- Understand the behaviour of individuals and firms and the operation of markets in the economy
- Understand the role of the government and the central bank in the economy and the instruments available to them to manage the economy

Assessment tasks

- 1. Online Test
- 2. Assignment 1
- 3. Assignment 2
- 4. Final Examination

PG - Research and Problem Solving Capability

Our postgraduates will be capable of systematic enquiry; able to use research skills to create new knowledge that can be applied to real world issues, or contribute to a field of study or practice to enhance society. They will be capable of creative questioning, problem finding and problem solving.

This graduate capability is supported by:

Learning outcomes

- Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics
- Explain, compare, contrast and analyse these concepts, models and theories logically and coherently
- Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations
- Identify and then use relevant economic diagrams to assist with explanations and applications
- Understand the behaviour of individuals and firms and the operation of markets in the economy
- Understand the role of the government and the central bank in the economy and the instruments available to them to manage the economy

Assessment tasks

- 2. Assignment 1
- 3. Assignment 2
- 4. Final Examination

PG - Effective Communication

Our postgraduates will be able to communicate effectively and convey their views to different social, cultural, and professional audiences. They will be able to use a variety of technologically supported media to communicate with empathy using a range of written, spoken or visual formats.

This graduate capability is supported by:

Learning outcomes

- Explain, compare, contrast and analyse these concepts, models and theories logically and coherently
- Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations
- Identify and then use relevant economic diagrams to assist with explanations and applications

Assessment tasks

- 2. Assignment 1
- 3. Assignment 2
- 4. Final Examination

Research and Practice

This unit uses research from external sources (references).

This unit gives you practice in applying research findings in your assignments.