



ECON991

Economics for Actuaries

S2 Day 2017

Dept of Economics

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Disclaimer

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General Information

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| Credit points 4 |
| Prerequisites Admission to MActPrac |
| Corequisites |
| Co-badged status ECON649 |
| 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
- 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
- Demonstrate that supply and demand are sometimes not equal, especially in markets for labour and credit
- Understand the role of the government and the central bank and the instruments available to them to manage the economy

General Assessment Information

In order to pass the unit it is not necessary to pass the final exam.

Assessment Tasks

| Name | Weighting | Hurdle | Due |
|-------------------------------------|-----------|--------|-------------------------------|
| <u>Assignment 1</u> | 20% | No | 20 September 5 pm (Wednesday) |
| <u>Assignment 2</u> | 20% | No | 23 October 9 am |
| <u>Final exam</u> | 60% | No | University Examination Period |

Assignment 1

Due: **20 September 5 pm (Wednesday)**

Weighting: **20%**

This assignment is based on the concepts and their application that are addressed in the first seven weeks of the session.

- The assignment consists of short answer questions.
- We will address similar problems in the lecture so regularly attending class will provide you with an advantage.
- You will submit your assignment electronically via Turnitin on the ECON649/991 unit website before the due date and time.
- No extensions will be granted.
- There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late = 20% penalty).
- No submission will be accepted after solutions have been posted.
- Students can apply for a Disruption to Studies (DTS) if there are bona vide grounds. When an application for DTS has been approved, the policy allows for the provision of one additional assessment task. This task need not be the same as the missed assessment. It could be another assignment, and essay or oral task. In submitting a DTS, the student is agreeing to make themselves available so that they can complete any extra work as required. The time and date, deadline or format of any required extra assessable work are not negotiable.

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
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Assignment 2

Due: **23 October 9 am**

Weighting: **20%**

This assignment is based on the concepts and their application that are addressed weeks 1-11 of the session.

- The assignment consists of short answer questions.
- We will address similar problems in the lecture so regularly attending class will provide you with an advantage.
- You will submit your assignment electronically via Turnitin on the ECON649/991 unit website before the due date and time.
- No extensions will be granted.
- There will be a deduction of 10% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late = 20% penalty).
- No submission will be accepted after solutions have been posted.
- Students can apply for a Disruption to Studies (DTS) if there are bona vide grounds. When an application for DTS has been approved, the policy allows for the provision of one additional assessment task. This task need not be the same as the missed assessment. It could be another assignment, and essay or oral task. In submitting a DTS, the student is agreeing to make themselves available so that they can complete any extra work as required. The time and date, deadline or format of any required extra assessable work are not negotiable.

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Final exam

Due: **University Examination Period**

Weighting: **60%**

The final examination for this unit will be held during the Macquarie University final examination period.

- The exam will be 2-hours + 10 minutes reading time.
- You can take into the examination room one A4 sheet of paper of notes, which can be hand-written or typed.
- All topics studied during the semester are potentially examinable, but the final exam will concentrate on the macroeconomic content, which was given less attention in the assignments. More detail about the structure of the final exam will be provided towards the end of the session.
- Failure to sit the final exam at the designated day and time will result in a mark of zero being awarded. The only exception is if a student has experienced illness and/or unavoidable disruption. In such circumstances students should consult the University's Disruption to Studies policy using the following link:

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

- In the event of meeting the criteria outlined in the policy, students will be awarded a

supplementary exam.

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
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Delivery and Resources

Classes

- Each student must attend the 3 hours of contact per week. The 3 hours are a mixture of lecture and exercises designed to assist you to understand and apply the theoretical concepts. These exercises will involve some guidance from your lecturer, though you are expected to work through the ideas with your peers. These questions/exercises will form the basis for your assignment and the final exam.
- 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 BESS, E4B106. The timetable for classes can be found on the University website at: <http://www.timetables.mq.edu.au/>

Textbook

- This textbook is free and is designed to encourage a more interactive and engaging style of learning and teaching in introductory economics.
- The textbook for this course can be found at the following: <http://www.core-econ.org/ebook/>
- You will need to register on the website to access the textbook: <http://www.core-econ.org/>

Technology

- Students will require a nonprogrammable calculator for completion of all assessment tasks. 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 ilearn website and to access the ebook that forms the textbook for the course.
- You should also bring your laptop to class. If you don't bring your laptop to class you will not be able to fully engage with the material in the class.

Unit Web Page

- Course material is available at: <https://ilearn.mq.edu.au/login/MQ/>

Unit Schedule

| WEEKS | TOPICS | READING GUIDE |
|------------------------------|---|---------------|
| Microeconomics Part 1 | | |
| Week 1 | Capitalism & the Technological Revolution | Units 1 & 2 |
| Week 2 | Scarcity, Work & Choice | Unit 3 |
| Week 3 | The Firm: Owners & Employees | Unit 6 |
| Week 4 | The Firm & Its Customers (Part 1) | Unit 7 |
| Week 5 | The Firm & Its Customers (Part 2) | Unit 7 |
| Week 6 | Supply & Demand: Price Taking & Competitive Markets | Unit 8 |
| Week 7 | Over-Run/Revision/Exercises | " |
| MID-SESSION BREAK | | |
| Macroeconomics Part 2 | | |
| Week 8 | Credit, Money & Banks | Unit 11 |
| Week 9 | Economic Fluctuations & Unemployment (1) | Unit 12 |
| Week 10 | Economic Fluctuations & Unemployment (2) | Unit 12 |
| Week 11 | Unemployment & Fiscal Policy (1) | Unit 13 |
| Week 12 | Unemployment & Fiscal Policy (2) | Unit 13 |
| Week 13 | The Nation in the World Economy | Unit 16 |

- **More details on the required reading will be provided on a weekly basis.**
Generally, you will not be required to read the entire chapter for each topic.

Learning and Teaching Activities

Classroom Time

The 3-hour class contact will include a lecture, but also the opportunity for students to work through applications of the ideas discussed in the class. These discussions will help you with the assignment and the final exam.

Home Time

You are expected to use the textbook, which consists of interactive graphical material that will help you understand the material. This graphical material for technological reasons can not be used by the lecturers during class time. Each week you will be provided with the sections within each of the chapters that constitute the required reading. You will rarely be required to read the entire chapter for each week, so please watch out for the reading updates.

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_2016.html

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

Complaint Management Procedure for Students and Members of the Public http://www.mq.edu.au/policy/docs/complaint_management/procedure.html

Disruption to Studies Policy (in effect until Dec 4th, 2017): http://www.mq.edu.au/policy/docs/disruption_studies/policy.html

Special Consideration Policy (in effect from Dec 4th, 2017): <https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/special-consideration>

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/

Results

Results shown in *iLearn*, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in [eStudent](#). For more information visit ask.mq.edu.au.

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://www.mq.edu.au/about_us/offices_and_units/information_technology/help/.

When using the University's IT, you must adhere to the [Acceptable Use of IT Resources 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
- 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
- Demonstrate that supply and demand are sometimes not equal, especially in markets for labour and credit
- Understand the role of the government and the central bank and the instruments available to them to manage the economy

Assessment tasks

- Assignment 1
- Assignment 2
- Final exam

PG - Critical, Analytical and Integrative Thinking

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

Learning outcomes

- 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
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Assessment tasks

- Assignment 1
- Assignment 2
- Final exam

PG - Engaged and Responsible, Active and Ethical Citizens

Our postgraduates will be ethically aware and capable of confident transformative action in relation to their professional responsibilities and the wider community. They will have a sense of connectedness with others and country and have a sense of mutual obligation. They will be able to appreciate the impact of their professional roles for social justice and inclusion related to national and global issues

This graduate capability is supported by:

Learning outcomes

- Demonstrate that supply and demand are sometimes not equal, especially in markets for labour and credit
- Understand the role of the government and the central bank and the instruments available to them to manage the economy

Assessment tasks

- Assignment 1
- Assignment 2
- Final exam

Changes from Previous Offering

This session is different from previous offerings of the unit in two broad ways:

1. The 3 hour face-to-face contact involves a combination of the traditional lecture but will generally be supplemented by questions and exercises that students are expected to engage with during the contact period.
2. The textbook is an ebook and is available for free at: <http://www.core-econ.org/ebook/> There is no hard copy of the textbook currently available. You can print off pdf copies of the chapters, but this means that you will miss out on the interactive material that is embodied in the electronic text.

Research and Practice

This unit uses research from external sources (references) to illustrate theories and concepts.

This unit gives you practice in applying theory to economic problems and questions encountered in the real world in your assignments