



# ECON8091

## Economics for Actuaries

Session 1, Online-scheduled-weekday 2022

*Department of Economics*

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## General Information

Unit convenor and teaching staff

Unit Convenor, Lecturer

Pundarik Mukhopadhaya

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Credit points

10

Prerequisites

Admission to MActPrac

Corequisites

Co-badged status

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. Students gaining a Credit or higher in this unit will satisfy the requirements for exemption from professional subject CB2 of the Actuaries Institute.

## 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:

**ULO1:** Critically appraise key economic concepts, models and theories of microeconomics and macroeconomics.

**ULO2:** Apply a range of techniques including calculations and manipulation of diagrammatic representations to solve problems related to economic concepts and models.

**ULO3:** Evaluate the role of the government and the central bank and the instruments available to them to manage the economy.

**ULO4:** Recognise and relate the relevance of economic theory to the wider business environment and describe the link between these theories to the practical application of individual businesses.

**ULO5:** Apply key microeconomic and macroeconomic theory and suggest solutions to real business problems.

## General Assessment Information

### Late submissions of assessments

Unless a Special Consideration request has been submitted and approved, no extensions will be granted. There will be a deduction of 10% of the total available assessment-task marks made from the total awarded mark for each 24-hour period or part thereof that the submission is late. Late submissions will only be accepted up to 96 hours after the due date and time.

No late submissions will be accepted for timed assessments – e.g., quizzes, online tests.

Table 1: Penalty calculation based on submission time

Submission time after the due date (including weekends)	Penalty (% of available assessment task mark)	Example: for a non-timed assessment task marked out of 30
<24 hours	10%	10% x 30 marks = 3-mark deduction
24-48 hours	20%	20% x 30 marks = 6-mark deduction
48-72 hours	30%	30% x 30 marks = 9-mark deduction
72 – 96 hours	40%	40% x 30 marks = 12-mark deduction
>96 hours	100%	Assignment won't be accepted

### Special Consideration

To request an extension on the due date/time for a timed or non-timed assessment task, you must submit a Special Consideration application. An application for Special Consideration does not guarantee approval.

The approved extension date for a student becomes the new due date for that student. The late submission penalties above then apply as of the new due date.

## Assessment Tasks

Name	Weighting	Hurdle	Due
<u>Final examination</u>	60%	No	University Exam period

Name	Weighting	Hurdle	Due
<u>Assignment</u>	20%	No	Week 11
<u>Mid session test</u>	20%	No	Week 7

## Final examination

Assessment Type <sup>1</sup>: Examination

Indicative Time on Task <sup>2</sup>: 30 hours

Due: **University Exam period**

Weighting: **60%**

The final exam for this unit will be held during the University Examination Period. The closed book exam will be 3 hours plus 10 minutes reading time. All topics studied during the session are examinable. More detail about the structure of the exam will be provided towards the end of the session.

On successful completion you will be able to:

- Critically appraise key economic concepts, models and theories of microeconomics and macroeconomics.
- Apply a range of techniques including calculations and manipulation of diagrammatic representations to solve problems related to economic concepts and models.
- Evaluate the role of the government and the central bank and the instruments available to them to manage the economy.
- Recognise and relate the relevance of economic theory to the wider business environment and describe the link between these theories to the practical application of individual businesses.
- Apply key microeconomic and macroeconomic theory and suggest solutions to real business problems.

## Assignment

Assessment Type <sup>1</sup>: Problem set

Indicative Time on Task <sup>2</sup>: 10 hours

Due: **Week 11**

Weighting: **20%**

This assignment will be a selection of problems requiring the application of the theory and

knowledge of the examples considered in the lectures and readings throughout the session.

On successful completion you will be able to:

- Critically appraise key economic concepts, models and theories of microeconomics and macroeconomics.
- Apply a range of techniques including calculations and manipulation of diagrammatic representations to solve problems related to economic concepts and models.
- Evaluate the role of the government and the central bank and the instruments available to them to manage the economy.
- Recognise and relate the relevance of economic theory to the wider business environment and describe the link between these theories to the practical application of individual businesses.
- Apply key microeconomic and macroeconomic theory and suggest solutions to real business problems.

## Mid session test

Assessment Type <sup>1</sup>: Quiz/Test

Indicative Time on Task <sup>2</sup>: 10 hours

Due: **Week 7**

Weighting: **20%**

The mid session test covers the models and techniques covered in the first 6 to 7 weeks of the session. It also prepares students for the format and difficulty of the final exam.

On successful completion you will be able to:

- Critically appraise key economic concepts, models and theories of microeconomics and macroeconomics.
- Apply a range of techniques including calculations and manipulation of diagrammatic representations to solve problems related to economic concepts and models.
- Evaluate the role of the government and the central bank and the instruments available to them to manage the economy.

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<sup>1</sup> If you need help with your assignment, please contact:

- the academic teaching staff in your unit for guidance in understanding or completing this

type of assessment

- the [Writing Centre](#) for academic skills support.

<sup>2</sup> Indicative time-on-task is an estimate of the time required for completion of the assessment task and is subject to individual variation

## Delivery and Resources

### Classes

This unit will be primarily taught using online ECHO recordings (2 hours/week) and zoom meetings (1 hour/week). There may also be workshop questions related to a few topics which will be discussed during the lectures. It is strongly recommended that students watch all of these recordings. Each student must attend the 3 hours of contact per week.

### Textbook

The textbook for this course, Economics, 10th Edition by Sloman, Garratt & Guest can be found at the following: <https://www.pearson.com/store/p/economics-2020-21-updated-edition/P100001213137/9781292187853>

### Unit Web Page

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

## Unit Schedule

Week 1 - Supply and Demand -- Chapter 2; Government and Market --Chapter 3

Week 2 - Theory of Consumer Behaviour (Background of Demand) and its Applications -- Chapters 4 & 5

Week 3 - Theory of Firm and Perfect Competition (Background of Supply) -- Chapters 6 & 7

Week 4 - Monopoly and Imperfect Competition - Chapters 7 and 8

Week 5 - Distribution and Redistribution of Income -- Chapters 10 & 11

Week 6 - Market Efficiency, Externality and Public goods -- Chapters 12 & 13

Week 7 - Mid-Session Test

Week 8 - The Macroeconomic Environment -- Chapter 15

Week 9 - Macroeconomic history -- Chapter 16 and Short-Run Macroeconomic Equilibrium -- Chapter 17

Week 10 - Money and Interest Rates -- Chapter 18, Chapter 19 sections 19.1 - 19.3 and the Appendix

Week 11 - Aggregate Supply, Inflation and Unemployment -- Chapter 20 Sections 20.1, 20.2, and 20.4 and The Relationship between Inflation, Unemployment and Output -- Chapter 21 Sections 21.1 and 21.2

Week 12 - Fiscal and Monetary Policy -- Chapter 22 sections 22.1 - 22.4, Long-term Economic Growth and Supply-side Policies -- Chapter 23 sections 23.4 - 23.6 and International Trade -- Chapter 24 sections 24.1 and 24.2

Week 13 - Balance of Payments and Exchange Rates -- Chapter 25

More information about the specifics of the units and the associated readings will be provided during lectures. Some additional readings will also be provided for some Topics.

## Policies and Procedures

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

- [Academic Appeals Policy](#)
- [Academic Integrity Policy](#)
- [Academic Progression Policy](#)
- [Assessment Policy](#)
- [Fitness to Practice Procedure](#)
- [Assessment Procedure](#)
- [Complaints Resolution Procedure for Students and Members of the Public](#)
- [Special Consideration Policy](#)

Students seeking more policy resources can visit [Student Policies \(https://students.mq.edu.au/support/study/policies\)](https://students.mq.edu.au/support/study/policies). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

To find other policies relating to Teaching and Learning, visit [Policy Central \(https://policies.mq.edu.au\)](https://policies.mq.edu.au) and use the [search tool](#).

## Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: <https://students.mq.edu.au/admin/other-resources/student-conduct>

## Results

Results published on platform other than [eStudent](#), (eg. iLearn, Coursera etc.) 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](https://ask.mq.edu.au) or if you are a Global MBA student contact [globalmba.support@mq.edu.au](mailto:globalmba.support@mq.edu.au)

## Academic Integrity

At Macquarie, we believe [academic integrity](#) – honesty, respect, trust, responsibility, fairness and courage – is at the core of learning, teaching and research. We recognise that meeting the expectations required to complete your assessments can be challenging. So, we offer you a

range of resources and services to help you reach your potential, including free [online writing and maths support](#), [academic skills development](#) and [wellbeing consultations](#).

## Student Support

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

### The Writing Centre

[The Writing Centre](#) provides resources to develop your English language proficiency, academic writing, and communication skills.

- [Workshops](#)
- [Chat with a WriteWISE peer writing leader](#)
- [Access StudyWISE](#)
- [Upload an assignment to Studiosity](#)
- [Complete the Academic Integrity Module](#)

The Library provides online and face to face support to help you find and use relevant information resources.

- [Subject and Research Guides](#)
- [Ask a Librarian](#)

## Student Services and Support

Macquarie University offers a range of [Student Support Services](#) including:

- [IT Support](#)
- [Accessibility and disability support](#) with study
- Mental health [support](#)
- [Safety support](#) to respond to bullying, harassment, sexual harassment and sexual assault
- [Social support including information about finances, tenancy and legal issues](#)

## Student Enquiries

Got a question? Ask us via [AskMQ](#), or contact [Service Connect](#).

## IT Help

For help with University computer systems and technology, visit [http://www.mq.edu.au/about\\_us/offices\\_and\\_units/information\\_technology/help/](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.