



# ECON991

## Economics for Actuaries

S2 Evening 2018

*Dept of Economics*

### Contents

<u>General Information</u>	2
<u>Learning Outcomes</u>	4
<u>General Assessment Information</u>	5
<u>Assessment Tasks</u>	5
<u>Delivery and Resources</u>	7
<u>Unit Schedule</u>	8
<u>Learning and Teaching Activities</u>	9
<u>Policies and Procedures</u>	9
<u>Graduate Capabilities</u>	11

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## General Information

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Credit points

4

Prerequisites

Admission to MActPrac

Corequisites

Co-badged status

ECON649 City Campus; ECON649 North Ryde Campus

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 and models of introductory microeconomics and macroeconomics

Identify, apply and manipulate diagrammatic representations of economic concepts and models

Calculate economic variables and outcomes

Distinguish between the different market structures in an economy

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

Appraise and suggest policy using these concepts and models to deal with real-world economic problems

## General Assessment Information

Your final result is the summation of all marked assessment.

## Assessment Tasks

Name	Weighting	Hurdle	Due
<u>Worksheets</u>	40%	No	Most Weeks
<u>Final exam</u>	60%	No	University Examination Period

### Worksheets

Due: **Most Weeks**

Weighting: **40%**

- In each class, you will spend some of the time working on a series of questions referred to collectively as a Worksheet.
- Be aware that ECON649 and ECON991 are co-badged units and most of your peers will be enrolled in ECON649. This means there will be some differences between the Worksheets for ECON649 and ECON991. As an ECON991 student, you are required to sometimes address topics in more detail and/or additional concepts compared to ECON649 students. (Some of these extension topics/concepts will not be discussed in the lecture). So please make sure you complete and submit the Worksheet for ECON991.
- Most weeks you will submit your completed Worksheet via iLearn. A submission link will appear in the relevant topic folder.
- You must submit your completed Worksheet within a 2 day period after the day of the lecture in which you are enrolled. For example, if your lecture is on the Monday (regardless of the time), you must submit your Worksheet before Wednesday 11.55 p.m.
- You will submit all the Worksheets as per instructions, but only four (4) of these Worksheets will be marked. Each marked Worksheet is worth 10% of your total assessment. You will not know in advance which of the Worksheets will be marked.

You will only know if a particular Worksheet has been marked when the marking for the Worksheet has been completed.

- If you fail to submit within the required time period (and the Worksheets for that week are marked), you will receive a mark of zero.
- More information on the requirements to satisfactorily complete the Worksheets will be provided. Also, your lecturer will assist you in understanding what is required to satisfactorily complete the Worksheets. It is your responsibility to seek assistance in class if you do not understand the content, questions and the approach required.
- You will work in groups during the lecture period to assist you in completing the Worksheets. However, you must submit your own answers to the Worksheet.
- Please read the Academic Integrity Policy (which can be found in the "Policies and Procedures" section of this Unit Guide). Failure to submit individual answers to the Worksheets and conform to the Academic Honesty Policy will result in a mark of zero for each affected Worksheet.
- There is a Special Consideration Policy which establishes the principles that support students seeking to notify the University when they experience short-term, unexpected, serious and unavoidable circumstances, which affect their performance in assessment. To access further information see the Policies and Procedures section of this Unit Guide.
- If you are granted a Special Consideration, another Worksheet will be marked in lieu of the Worksheet you failed to submit.

On successful completion you will be able to:

- Understand the key economic concepts and models of introductory microeconomics and macroeconomics
- Identify, apply and manipulate diagrammatic representations of economic concepts and models
- Calculate economic variables and outcomes
- Distinguish between the different market structures in an economy
- Evaluate the role of the government and the central bank and the instruments available to them to manage the economy
- Appraise and suggest policy using these concepts and models to deal with real-world economic problems

## 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.
- All topics (microeconomic and macroeconomic sections) studied during the semester are examinable. More detail about the structure will be provided about the exam 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.
- There is a Special Consideration Policy which establishes the principles that support students seeking to notify the University when they experience short-term, unexpected, serious and unavoidable circumstances, which affect their performance in assessment. To access further information see the Policies and Procedures section of this Unit Guide.
- If your application for Special Consideration is accepted, you will be granted a Supplementary Exam, which will be held during the Supplementary Exam period.

On successful completion you will be able to:

- Identify, apply and manipulate diagrammatic representations of economic concepts and models
- Distinguish between the different market structures in an economy
- Evaluate the role of the government and the central bank and the instruments available to them to manage the economy
- Appraise and suggest policy using these concepts and models to deal with real-world economic problems

## **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.
- You are expected to attend the lecture group in which you are formally enrolled. This is

important because the class in which you enroll determines the due dates for your Worksheets. You can not change the class in which you are enrolled after the official date. Moreover, access to class times depends on availability.

## Textbook

- The textbook for this course can be found at the following: <http://www.core-econ.org/>
- You will need to register using your student email to access the textbook.
- The electronic version of the textbook is free. You can choose to purchase a hard copy version of the textbook from the website.

## Technology

- Students will require a nonprogrammable calculator. 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.

## Unit Web Page

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

# **Unit Schedule**

## PART A: MICROECONOMICS

Topic 1: The Capitalist Revolution

Topic 2: The Technological Revolution(s) and Economic Models

Topic 3: Scarcity, Work and Choice

Topic 4: The Firm: Owners, Managers & Employees

Topic 5: The Firm and Its Customers

Topic 6: Supply and Demand: Price Taking and Competitive Markets

## PART B: MACROECONOMICS

Topic 1: Banks and Money



Topic 2: Economic Fluctuations and Unemployment

Topic 3: Unemployment, Fiscal and Monetary Policy

Topic 4: Inflation

Topic 5: Economic Inequality

More information about the specifics of the topics and the associated readings will be provided each week.

## Learning and Teaching Activities

### Classroom Time

The 3-hour class contact will include a lecture, but also the opportunity for students to discuss and work on the Worksheets, which are assessable.

### Textbook: Readings and Exercises

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.

### Worksheets

There will be some time in classes for you to work on the Worksheets. However, you are expected to engage in some preparation prior to your class time and to review/complete the Worksheets after your class.

## Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central) (<https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central>). 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](#)
- [Grade Appeal Policy](#)
- [Complaint Management Procedure for Students and Members of the Public](#)
- [Special Consideration Policy](#) (**Note:** *The Special Consideration Policy is effective from 4*

*December 2017 and replaces the Disruption to Studies Policy.)*

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

If you would like to see all the policies relevant to Learning and Teaching visit [Policy Central](https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central) (<https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/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/study/getting-started/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](http://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](http://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](http://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/](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 and models of introductory microeconomics and macroeconomics
- Identify, apply and manipulate diagrammatic representations of economic concepts and models
- Calculate economic variables and outcomes
- Distinguish between the different market structures in an economy
- Evaluate the role of the government and the central bank and the instruments available to them to manage the economy
- Appraise and suggest policy using these concepts and models to deal with real-world economic problems

#### **Assessment tasks**

- Worksheets
- 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**

- Identify, apply and manipulate diagrammatic representations of economic concepts and models
- Distinguish between the different market structures in an economy
- Evaluate the role of the government and the central bank and the instruments available

to them to manage the economy

- Appraise and suggest policy using these concepts and models to deal with real-world economic problems

## **Assessment tasks**

- Worksheets
- Final exam

## **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 outcome**

- Identify, apply and manipulate diagrammatic representations of economic concepts and models

## **Assessment tasks**

- Worksheets
- Final exam