

ECONOMICS (30 hours)

1. Supply and demand, price equilibrium
2. Elasticity of supply and demand
 - Elasticity, the implications of elastic demand
 - Factors affecting elasticity
3. Utility theory and consumer choice
 - The properties of simple utility functions
 - Analyzing simple insurance problems in terms of utility theory
 - Consumer choice theory
4. National economy
 - GNP and GDP
5. Public sector finance
 - Government expenditure
 - Government revenue
6. Keynesian model
7. Monetary politics
8. Government macroeconomics policy
 - Macroeconomic policy
 - International trade
 - Economic growth

Literature:

1. Economics, Begg, Fischer and Dornbusch, McGraw-Hill
2. Subject 107 Core Reading, Faculty and Institute of Actuaries