

SENIOR ECONOMICS CURRICULUM

VINCENT LEGG

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Mirroring California State Framework and Grossmont UHSD Curriculum Guide

This is the first half of a year-long course: **“Economics & U.S. Government”**

It is important to note that these two subjects are often combined—at other schools—for the entire year...without separate “Econ” or “Government” semesters. And that is a reasonable approach, since it’s often nearly impossible to discuss an economic issue without addressing its governmental implications, or to debate politics without acknowledging that Republicans & Democrats (*never mind Libertarians, Green Party, Tea Party members and others*) have fundamentally different ideas about how the U.S. economy should be run.

The chief drawback, however (*to teaching both simultaneously, in my humble opinion*) is that the econ half often gets shortchanged...either because the teacher feels stronger on the government side, or simply because such a format does not usually result in the assumptions and “laws” of economics being taught as a structured, coherent whole.

For that reason, I have chosen to focus on Econ this fall, and Government in the spring of 2022.

But there will be **much** Government in the Econ, and much Econ in the Government.

I anticipate that every now and then (*between now and December*) some of you might think

“Aren’t we in Econ right now? Why are we talking about (*government spending on*)

America's relationships with Mexico and Canada?”

That’s okay...there will be plenty of Econ & Gov in each semester.

Also, California’s high school Econ requirements cover both Microeconomics and Macroeconomics...unlike most college Econ classes which focus on one or the other.

Micro--which focuses on relatively individual issues--will occupy most of the first half of the semester, Macro—which deals more with how changes affect the overall economy—will be covered mostly in November. But, again, there will be plenty of crossover.

As we await more specifics about how Common Core develops in the social sciences, there is room to adapt the current curriculum to fit new requirements.

Grading: Standard scale: 90+ = A, 80+ = B, 70+ = C, 60+ = D and below 60% = F

As in History last year, there is no weighting of tests, vs. homework, etc.

Laptops / Chromebooks are fine for note-taking in class. Laptops are not to be used for social media or any other use, in-class, unless specifically requested by instructor.

Topics to be covered and approximate pacing:

August / September 2021

Law of Supply, Law of Demand...

Adam Smith

Scarcity and the need to make choices. (*trade-offs*)

What is money? Why not just barter?

Credit cards

Opportunity cost (*re. trade-offs*), marginal benefit and marginal cost.

Advertising / selling to young people

Elasticity (*re. demand & supply*)

Supply & demand curves...establishing a market price...price ceilings & floors

Predicting surpluses & shortages

Substitutes and compliments

Current econ events – potential "repeal & replace" of NAFTA etc.

Adjusting (*shifting*) entire (*supply or demand*) curves (*incentives, changing tastes, etc.*)

Monetary vs. nonmonetary incentives...

Changes in incentives = changes in behavior.

Role of private property re. incentive in conserving and improving scarce resources, including renewable and nonrenewable natural resources.

Sole proprietorships v. partnerships, corporations, conglomerates, multi-nationals.

Role of a market economy in establishing and preserving political and personal liberty

(*see Adam Smith's Wealth of Nations, the "invisible hand," etc.*)

Kinds of markets: Pure competition, Monopolistic, Oligopoly, Monopoly, Externalities

When markets "fail" Did Enron really play a role in creating an "energy crisis" in California?

October 2021

How are market economies like ours different from communism ("*command*"), socialism, etc.?

Three stages of production...what is the role of the entrepreneur? Hero and/or scoundrel?

Property rights, competition, and profit in a market economy.

How prices reflect the relative scarcity of goods and services.

How prices allocate (*distribute... the "allocative function"*) goods & services in a market economy.

Competition among buyers and sellers determines a market price.

Price controls—how do they affect buyers & sellers?

How does domestic and international competition in a market economy affects

goods and services produced re. quality, quantity, & price of those products?

Profit as the incentive to entrepreneurs in a market economy.

Taxes—progressive vs. regressive

Financial markets—how do they work? What do they do?

Economic principles that guide location of agri production & industry and how they get their products to market

Economic thinking is your friend...cost / benefit analysis in daily life too.

Practical econ...Madison Avenue wants your cash...not getting taken.

Consumer econ (*microecon*). Making smart choices. When to finance? Buying vs. renting or leasing

New tide of legal gambling...fiscal and ethical choices

Measuring our economy—what, how & why?

GDP

Sustainable growth.

Won't high growth + high employment = inflation?

Texts *used* to say “Yes” Why not in the 1990s?
Do “business cycles” really exist? Are they predictable?
Role of government in a market economy--national defense, addressing environmental concerns, defining and enforcing property rights, attempting to make markets more competitive, and protecting consumers' rights. Too much? Not enough?
Federal budget / how do they spend all that money?
Federal deficit...why does it exist and why do people say it hurts us so much?
Government inefficiency and obstruction to a healthy market economy
Fiscal policy vs. Monetary policy
Goals of gov fiscal policies (*taxation, borrowing, spending*)
How gov fiscal policies actually influence production, employment, price levels.
Monetary policy (*Federal Reserve*)...aims and actual influence
Is the president really to blame when the economy is doing badly? He usually gets blamed!
The role of the economy as chief issue in recent elections

November 2021

Labor history—types of unions (moved up to early Sept. tie in to Labor Day)
Labor market, desire for labor unions, how unions get benefits for their members, including unionization, minimum wage, & unemployment insurance.
Inflation / income distribution
Understanding current economy & labor market--types of goods & services produced, types of skills workers needed, effects of rapid tech change, & impact of international competition.
Wage difs among jobs and professions, re. laws of demand & supply & concept of productivity.
Effects of international mobility of capital and labor on U.S. economy.
Aggregate (overall) economic behavior of the U.S. economy. (*Macroeconomics*)
Macro equilibrium
Crucial distinction between nominal and real data.
Define, calculate, & explain significance of unemployment rate, number of new jobs created monthly, inflation or deflation rate, & rate of economic growth.
Distinguish between short-term and long-term interest rates and explain relative significance.
Taxes...your friends? Who gets taxed and why?
Bush Tax Cuts were set to expire at end of 2010, but didn't, really...pros & cons
Will new ('Trump Tax Cuts') have similar effects? Will deficit spending continue?
Banking system
International trade: Absolute vs. comparative advantage
Barriers to trade / international finance.
Identify gains in consumption & production efficiency from trade, with emphasis on main products & changing geographic patterns of 20th cent. trade among countries in the Western Hemisphere.
Compare reasons for & effects of trade restrictions during the Great Depression compared with present-day arguments among labor, business, and political leaders over the effects of free trade on the economic and social interests of various groups of Americans.
Changing role of international political borders and territorial sovereignty in a global economy.
Foreign (\$\$) exchange, the manner in which exchange rates are determined, and the effects of the dollar's gaining (*or losing*) value relative to other currencies.

December 2021

Stock market...understanding it...playing it...A stock market simulation (*time permitting*)

Global demand for resources...what happens when China is using resources at the rate we do?

Is the age of **Enronomics** truly over? Is the “stimulus” spending successful?

Is communism as dead as it is on TV? Capitalism—How’s it working in Moscow? Baghdad?

How strong is our dollar, and why?

Practical personal econ, like scam awareness, etc.

Comprehensive final week of December 17th...