#### SENIOR ECONOMICS CURRICULUM

**VINCENT LEGG vlegg@guhsd.net FALL 2022**

*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 2023.

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 sending another $3 billion to Ukraine?”

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.

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.

*Largely Mirrors CA State Framework & Grossmont UHSD Curriculum Guide***.**

Topics to be covered and approximate pacing below

(sequence is flexible to accommodate current events, elections, etc.):

As a rule, complex, involved topics will usually be covered in discussions/lectures to

make sure that every student question can be addressed. Shorter, more straightforward

econ topics will usually be covered with student-researched short papers.

Because the length of discussions can vary tremendously, hard test dates are rarely set far in advance, usually occurring at least two (and as many as six) days after a unit is completed. There is less need (than in history) to try to stick to a chronological

path. Various Econ topics might be shifted forward if it makes sense given what is going on in the country. For instance, the Federal Reserve Bank appears to be about *(at their Sept. 20/21 meeting)* to make significant moves to try to reduce the dramatic inflation the USA is currently suffering. Thus, the unit on **Monetary & Fiscal Policy**—which is usually taught late in the semester—will probably be moved up to around September 8th, so that students can better understand what the government is trying to do, and how likely it is to work…or how likely it is to lead to recession.

Lastly, it is a top priority of mine that all students feel safe and free to speak in class,

as ridicule and rudeness are not tolerated. I will do everything in my power to make sure all students—of all groups—feel respected and that their voice is heard at Middle College. Fairness and equality are frequent themes.

### **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. regresssive

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 (often done early Sept. to 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

Did newer ('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 **Enron**omics 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 19th...