



Basic Economics and Practical Personal Finance

- Recommended for students who may only take one economics and personal finance course in their life
- Practical exercises on topics ranging from compound interest to the cost of raising a child
- Equivalent to a semester-long high school or 3-credit college course

This is the essential course for individuals who may only take one economics and personal finance course in their life. It prepares individuals to be strategic consumers, wise savers, diversified investors, and responsible citizens. The course includes 17 modules, paced at roughly one week per module. Students begin with a basic introduction to 12 Key Elements of Economics, followed by modules on the Sources of Economic Progress, the Role of Government, and Practical Personal Finance.

17 Modules = 12 Core Economic Modules + 4 Personal Finance Modules + 1 Bonus Module on the Great Depression and Great Recession

This course uses the READ, WATCH, LISTEN, and DO approach to learning. Each module includes readings, video clips, audios, discussion board questions, homework assignments, and a quiz. Many of the video clips are taken from popular media and are entertaining, fun, and thought provoking! No prior knowledge is required, and this course is not math-heavy. Instead, students are encouraged to develop their economic reasoning skills and apply them to the development of more fulfilling lives.

An online learning management system guides students through their weekly assignments, quizzes, and tests, as well as engaging them with integrated peer-to-peer and instructor-led discussions.

Required Textbook:

Common Sense Economics: What Everyone Should Know about Wealth and Prosperity

James D. Gwartney, Richard L. Stroup, Dwight R. Lee, Tawni H. Ferrarini, and Joseph P. Calhoun

Available through Amazon.com and BarnesAndNoble.com/ in hardcover or Kindle/Nook Edition Hardcover: \$25.99 or less / Kindle/Nook: \$14.99
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Detailed Course Description

The course is divided into four major parts:

- **Part 1** focuses on the basic concepts of economics, including incentives, scarcity, opportunity cost, marginalism, gains from trade, demand, supply, the pricing mechanism, and secondary effects.
- **Part 2** focuses on the key elements of an environment for growth and prosperity. The importance of property rights, the competitive process, allocation of capital, monetary stability, low taxes, and international trade are analyzed.
- **Part 3** focuses on the role of government and the operation of the political process. Both market failure and government failure are explained. As in the case of markets, the tools of economics are used to address how the political process works, why it sometimes works poorly, and what might be done to improve the process.
- **Part 4** applies the tools of economics to personal finance. Choosing a career, entrepreneurship, budgeting, saving, investing, credit, and taxes are considered in this section. This course is designed for those who want to learn a lot about economics quickly.

59 Key Economic Concepts Covered
Connections to National Voluntary Standards

Part 1

Incentives
Scarcity
Opportunity costs
Marginalism
Gains from trade
Transaction costs
Demand and supply
Market equilibrium
Demand and supply (more)
Changes in demand vs. changes in quantity demanded
Changes in supply vs. changes in quantity supplied
Price controls
Profit and loss
Helping others and receipt of income
Jobs versus the creation of wealth
Source of economic progress
Market prices and the invisible hand
Secondary effects and unintended consequences

Part 3

Protective and productive roles of government
Market failure
Government failure
Opportunity cost of government
Political versus the market process
Special interest and political allocation
Political incentives and short-sightedness
Transfers, incentives, and the “welfare” of recipients
The unintended consequences of transfers and subsidies
Central planning, politics, and resource allocation
Competition among governments, incentives, and resource allocation
Constitutional rules and sound economics

Part 2

Legal system and private ownership
Private property and incentives
Competitive process
Regulation and gains from trade
Capital markets: wealth-creating versus inefficient projects
Monetary policy and inflation
Taxes, incentives, and productive activity
Gains from international trade
Economics, politics, and trade restrictions
Economic freedom, growth, and income
Recession and depression
Economic instability
Monetary policy and Great Depression
Tariffs and trade restrictions
Taxes, subsidies, and instability

Part 4

Comparative advantage and discovery of career opportunities
Entrepreneurship and personal success
Budgeting and getting more out of your income
Strategic spending: used versus new
Dangers of debt and credit card use
Prudent saving: planning for a “rainy day”
Power of compound interest
Diversification and reducing investment risk
Risk and return: stocks versus bonds
Random walk theory and stock prices
Indexed versus managed equity funds
Portfolio adjustments and phases of life
Beware of investment schemes
Teach others sound financial principles