**Economics**

**Semester 2 Overview**

**Course Texts & Resources**

* *Economics*, second edition, BJU Press 2010
* *Economics…Student Activities Book*, second edition, BJU Press 2010
* *Foundations in Personal Finance* video series(Financial Peace School Curriculum), Dave Ramsey, The Lampo Group, 2014
* *Foundations in Personal Finance*…*Student Book* (Financial Peace School Curriculum), Dave Ramsey, Lampo Press, 2014
* *The Truth Project* video series, Focus On The Family

**Topics Covered**

**Biblical Overview**

* **Biblical Principles of Labor**...we are created to create, all things belong to God, stewardship, skills, giving & tithing

**Macroeconomics**

* **What is Economics?**...the science of choices, goods & services, intrinsic & subjective value
* **Economic Models**…schedules, graphs, production curve, circular flow between buyers & sellers, gross domestic product
* **Demand & Value**…law of demand, demand curve, diminishing marginal utility
* **Supply & Prices**…law of supply, supply curve, determining prices, market equilibrium, surplus, shortage, price controls
* **National Economic Goals**…employment, stable prices, economic growth, distribution of income (not socialism)
* **Economic Systems**…command economy, market economy, economic Darwinism/communism
* **Economic Systems in History**…mercantilism, laissez-faire economics & Adam Smith, Capitalism, Socialism, Communism
* **Forms of Business Ownership**…sole proprietorship, partnership, incorporation
* **The Stock Market**…types of stock, buying & selling, stock exchanges, stock indices, stock market and the economy, stock markets and the Christian, problems & safeguards
* **Market Structure & Competition**…market differences, differentiation of products, price controls, entering & exiting the industry, competition, monopolies, antitrust policy, legislation
* **Banking Systems in America**...Federal Reserve System, money supply

**Microeconomics**

* **Savings**…giving, saving, spending, emergency fund, sinking fund, compound interest, annual interest rates
* **Ways to Save**…automatic payroll deductions, employer savings plan, claiming fewer exemptions, electronic funds transfers, point of sale system
* **Investment Options**…diversification, liquidity, risk vs. return, floating rate accounts, money markets, bonds, treasury bills, single stocks, mutual funds, rental property, annuities, time deposits, passbook accounts, CD’s, FDIC
* **Wealth Building & College Savings**…tax favored dollars, retirement plans, traditional and Roth IRA’s, 401K matching programs, prioritizing investments, pre-tax and after-tax investments
* **Retirement Planning**…estimation of needs, sources of income, social security, employer pension plans, personal pension plans, IRA’s vs. Keogh’s
* **Consumer Credit**…consumption borrowing, investment borrowing, installment credit, open-end credit, commercial banks, thrift institutions, finance companies, debit vs. credit cards, ATM’s, identity theft
* **Dangers of Debt**…history and evolution of debt, how people get into debt, bondage, debt and the Christian, the debt snowball, debt myths, annual fees, annual percentage rates, depreciation, tax deductions
* **Consumer Awareness**…competition, marketing, principles of purchasing, significant purchases, motives & contentment, power over purchases, paying with cash, consumer rights
* **Credit Bureaus & Collection Practices**… credit bureaus, credit scores, capacity to pay, capital & net worth, collateral, the myth of building your credit score, identity theft, fixing credit report inaccuracies, debt collection practices and regulations, bankruptcy, garnishment, pro-rata
* **Budgeting**…cash flow planning, check book balancing, misuse of credit cards, discipline, envelope system, impulse purchasing, reconciling, zero-based budgeting, allocated spending plan, irregular income budgeting
* **Opening & Maintaining a Transaction Account**…Opening an account, writing checks, certified checks, cashiers checks, money orders, travelers checks, cashing checks, making deposits, stop payments, reconciling
* **Bargain Shopping**…honest negotiating, asking for deals, using cash for power, walk-away power, auctions, consignment shops, estate sales, foreclosures, markups
* **Relating with Money**…men and women differences, personality differences, marriage and money, who does the financial decision making, budgeting as a couple, singles and money, kids and money, commissions vs. allowances, accountability
* **Career Choices & Taxes**…identifying personal strengths, weaknesses, motivations, passions, personality; DISC personality profile, careers, job hunting, resumes/cover letters/interview, taxes & deductions, paycheck withholdings, overtime and extra jobs
* **Insurance**…not an investment, transfer of risk, homeowners, renters, auto, life, health & HSA accounts, disability, long-term care, identity theft protection, term/whole life/cash value insurance, deductibles
* **Giving**…stewardship, God’s reason to give, tithes, first-fruits, offerings, giving to the local church, giving for the right reasons