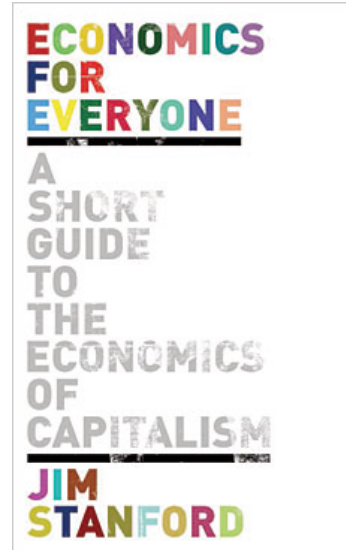


# A 13-PART COURSE IN POPULAR ECONOMICS

## SAMPLE COURSE OUTLINE

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This is a sample outline for a simple 13-session course in economics (organized around the content of *Economics for Everyone*) which could be taught by trade unions and community organizations. The course could also be used in high schools and introductory programs in economics or related subjects in colleges and universities.

Each session of the course covers the material presented in 2-3 chapters of the book. Thus, each session will require the student to complete 1-2 hours of reading. The course instructor may wish to assign additional reading material utilizing local sources or issue-specific resources.

Instructors are encouraged to vary the order of the course, and/or to spend more or less time on particular topics, in line with the interests of course participants. Supplementing the material in *Economics for Everyone* with local materials or resources will help students to relate the material in this course more directly to their own experience (in their workplace, their family, or their community). These supplemental materials could include newspaper articles on economic trends or problems; local or national economic statistics (from government agencies or research organizations); financial statements or other corporate documents; community economic reports and profiles; or campaign materials prepared by local economic and social justice movements.

The “key terms” introduced in each session are covered in the relevant chapters of the book, and most are also defined in the on-line glossary available from the Resources section of the [www.economicsforeveryone.com](http://www.economicsforeveryone.com) website.

Please send your feedback on the use of this course to [author@economicsforeveryone.com](mailto:author@economicsforeveryone.com).

## **Session 1: The Economy and Economics**

Readings: Chapters 1 and 2 of *Economics for Everyone*.

Topics:

The economy  
The purpose of the economy  
The economy and economics  
How we measure the economy  
Characteristics of a *good* economy  
Capitalism  
Capitalism and markets

Key Terms Introduced:

goods services work consumption investment finance environment GDP  
economic growth prosperity security innovation choice equality sustainability  
democracy accountability capitalism production for profit wage labour

## **Session 2: A Little History**

Readings: Chapters 3 and 4 of *Economics for Everyone*.

Topics:

Economic evolution through history  
The origins of capitalism  
Changes in capitalism  
The origins of neoliberalism  
Types of capitalism  
The history of economic thought  
The links between economics and politics

Key Terms Introduced:

class slavery feudalism capitalism neoliberalism surplus distribution  
Great Depression Golden Age mercantilists physiocrats classical economists  
Karl Marx exploitation equilibrium preferences John Maynard Keynes  
supply-constrained demand-constrained effective demand Michal Kalecki  
Milton Friedman monetarists Post-Keynesians structuralists heterodox

## **Session 3: Work and Tools**

Readings: Chapters 5 and 6 of *Economics for Everyone*.

Topics:

Work and production  
Different kinds of work  
Work and employment  
Paid and unpaid work  
Working with tools  
Technology and tools  
Defining capital

Key Terms Introduced:

work production value value-added employment paid work unpaid work  
labour theory of value productivity subsistence tools capital physical capital  
fixed capital technique of production technology skills

## **Session 4: Class: Bosses, Owners, and Workers**

Readings: Chapters 7 and 8 of *Economics for Everyone*.

Topics:

How companies are organized  
The ownership of companies  
How companies behave  
The logic of profit  
Labour as a commodity  
How labour is different from other commodities  
Labour extraction under capitalism  
Employment and conflict  
Unions and collective bargaining

Key Terms Introduced:

corporation capitalist class stock market return on equity depreciation interest  
top managers major owners private costs and benefits social costs and benefits  
retained earnings capital gain commodity full employment unemployment  
labour extraction labour discipline labour intensity labour market segmentation  
unit labour cost cost of job loss unions collective bargaining

## **Session 5: Reproduction and Gender; Closing the Circle**

Readings: Chapters 9 and 10 of *Economics for Everyone*.

Topics:

“Producing” and maintaining workers  
Paid and unpaid labour in the home  
Reproduction, work, and gender  
The economic importance of households  
Closing the “little” circle of capitalism  
Income and expenditure

Key Terms Introduced:

reproduction household consumption labour supply discrimination sexism  
labour market segmentation income expenditure

## **Session 6: Competition, Investment, and Growth**

Readings: Chapters 11 and 12 of *Economics for Everyone*.

Topics:

Competition under capitalism  
Real-world competition and “perfect competition”  
The consequences of competition  
The effects of investment  
The determinants of investment  
The location of investment  
Investment performance under neoliberalism

Key Terms Introduced:

competition perfect competition product differentiation economies of scale  
diminishing returns private equity externalities poaching battle costs  
dislocation costs investment fixed capital structures machinery & equipment  
working capital transformation infrastructure capacity utilization accelerator

## **Session 7: Employment and Distribution**

Readings: Chapters 13 and 14 of *Economics for Everyone*.

Topics:

The labour market  
Labour demand and labour supply  
Employment and unemployment  
Unemployment and wages  
Income distribution across classes  
Income distribution across individuals  
Measuring inequality and poverty  
Inequality, poverty, and labour market segmentation

Key Terms Introduced:

full employment unemployment participation rate unemployment rate  
employment rate wage-led economy natural rate of unemployment  
non-accelerating inflation rate of unemployment capital substitution  
factors of production distribution labour share transfer payments Gini coefficient  
inequality absolute poverty relative poverty

## **Session 8: Capitalism and the Environment**

Readings: Chapter 15 of *Economics for Everyone*.

Topics:

Nature's role in the economy  
Ecological benefits and human well-being  
Sustainability  
Environmental inequality  
The environment and markets  
Climate change and the limits to growth

Key Terms Introduced:

environment natural resources ecological benefits pollution sustainability  
climate change greenhouse gases imperfection externality carbon tax

## **Session 9: The Paper Economy and the Real Economy: Money, Banking, and Finance**

Readings: Chapters 16-18 of *Economics for Everyone*.

### Topics:

Money and prices  
Inflation, its causes, and its consequences  
The private banking industry  
Central banks and monetary policy  
Corporate finance and stock markets  
Financial instability and fragility  
Pensions and how to fund them

### Key Terms Introduced:

money currency deposits credit means of payment unit of account  
store of value barter credit squeeze banking cycle central bank fractional reserve  
capital adequacy inflation monetary policy relative prices price level deflation  
real wage nominal wage consumer price index GDP deflator hyper-inflation  
Milton Friedman monetarism quasi-monetarism monetary targeting  
corporate finance bonds shares stock market speculation financialization  
financial fragility derivatives pensions pre-funded pension pay-as-you-go pension  
defined contribution defined benefit

## **Session 10: Government and the Economy**

Readings: Chapters 19 and 20 of *Economics for Everyone*.

### Topics:

The historic role of government in capitalism  
The economic functions of government today  
Class interests, class conflict, and government  
Government's "toolkit": policy levers and instruments  
Types and effects of government spending  
Types and effects of government taxing

### Key Terms Introduced:

democracy public goods natural monopoly regulation redistribution  
monetary policy fiscal policy social policy industrial policy public ownership  
program spending transfer payments government production public consumption  
public investment income tax sales tax progressive tax flat-rate tax payroll tax  
wealth tax user fees environmental tax deficit surplus balanced budget debt debt  
burden public-private partnership income security market income

## **Session 11: Globalization and Development**

Readings: Chapters 21 and 22 of *Economics for Everyone*.

Topics:

Forms of globalization  
The history of globalization  
Free trade agreements and international economic institutions  
What's wrong with free trade?  
Global inequality  
The nature of economic development  
Barriers to economic development  
Industrial structure: "mix matters"

Key Terms Introduced:

World Trade Organization exports imports globalization services trade  
free trade agreements investor-state disputes multinational corporation  
foreign direct investment International Monetary Fund World Bank  
Bank for International Settlements exchange rate foreign exchange migration  
comparative advantage David Ricardo terms of trade extreme poverty  
development formal sector informal sector Millenium Development Goals  
underdevelopment colonialism primary products uneven development  
base industry industrial policy

## **Session 12: Stability and Instability in Capitalism**

Readings: Chapters 23 and 24 of *Economics for Everyone*.

Topics:

Closing the "big circle" of capitalism  
Injections and leakages; surpluses and deficits  
The multiplier effect  
Capitalism's endless roller-coaster  
Recessions and how to stop them  
Long waves in the history of capitalism

Key Terms Introduced:

income expenditure surplus deficit injection leakage multiplier effect  
recession depression recovery consumer sentiment supply shocks  
capital flight counter-cyclical policies discretionary fiscal policy  
automatic stabilizers balanced budget laws long waves

## **Session 13: Challenging Capitalism**

Readings: Chapters 25-27 of *Economics for Everyone*.

Topics:

Giving capitalism a report card

Is capitalism vulnerable?

Improving capitalism

How to pay for reforms

Capitalism and socialism

Capitalism and human nature

Key Terms Introduced:

systemic instability financial fragility global imbalance environmental limits

investment stagnation worker compliance social democracy socialism

reforms high-investment sustainable economy public ownership economic planning

market socialism individualism human nature prisoners' dilemma

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