



# Advanced Economics

SETON HOME STUDY SCHOOL

Lesson Plan ♦ Supplements ♦ Tests ♦ Quarter Report Forms



Course Manual

ELE404\_18A

# Content

<b>Introduction .....</b>	<b>5</b>
<b>Lesson Plan</b>	
• <b>First Quarter .....</b>	<b>7</b>
• <b>Second Quarter.....</b>	<b>21</b>
<b>Supplements .....</b>	<b>35</b>

Tests and Quarter Report Forms are in the back of this Course Manual, immediately after the supplements.

**Revised March 2018**

**Outer Cover:** *Christ Casts out the Moneychangers*, by Carl Bloch

**Inner Cover:** *Calling of St. Matthew*, by Hendrick ter Brugghen

**WEEK FOUR****Day 1**

Review Chapters 1 to 3.

**Day 2**

Review Chapters 1 to 3. **Take Test 1 for Chapters 1 to 3. This test is to be sent to Seton for grading, or check to see if it may be taken online on the Seton website.**

**Day 3**

Chapter 4: The Laws of Supply and Demand. Skim through the chapter, reading the subheadings, look at the pictures and the charts. Read, study Value of Goods. Do the Consider 4.1 questions orally.

Read, study Marginal Utility and Value, pp. 53-54. Answer Consider 4.2 questions orally.

**Day 4**

Read, study The Basic Law of Demand, pp. 55-58. Study the charts. Answer Consider 4.3 questions orally.

**Day 5**

Read, study The Basic Law of Supply, pp. 59-62. Study the graphs. Answer Consider 4.4 questions orally.

**WEEK FIVE****Day 1**

Read, study Supply and Demand in Balance, pp. 62-65. Study the graphs. Answer Consider 4.5 questions orally.

As we Catholics discuss these notions of supply and demand, we must concern ourselves not merely for economics as a science, but on its moral implications. For instance, an entrepreneur might survey the cultural climate and determine that pornography is in great demand, and therefore that he should start a pornography business. However, a practicing Catholic businessman might clearly recognize the demand for such immoralities, but he would not create the supply.

Some people believe that the prevalence of abortion and pornography are the fault of capitalism. However, contrary to what they believe, it is *not* the function of an economic system to prevent this type of thing from happening. The availability of pornography and abortion are not the fault of capitalism. When a baby undergoes a surgical abortion, we do not say that electricity is the culprit. If someone is murdered, we do not blame the existence of steel, which was used to make a knife or a gun. Just like steel or electricity, capitalism should be viewed as

a tool—an exceptionally good tool. Under Soviet communism, abortion was rampant, as was underground pornography.

There is one culprit—sin, and more practically, those who commit sin. The solution is virtue. Further, the government itself must enact laws against such things as abortion and pornography. As St. Thomas teaches, the main function of government is to protect it's citizens from internal as well as external enemies.

## **Day 2**

Read, study Government and Economic Laws, pp. 66-70. Study the graphs. Answer Consider 4.6 questions orally.

## **Day 3**

### Section Review for Chapter 4

The questions and answers for this section review will help the student to prepare for the tests. Content can be from the chapter in the textbook, or from the Lesson Plan associated with that chapter.

1. Define "value in use" and "value in exchange."
2. Briefly describe "marginal utility" and "total utility."
3. What is meant by the "substitution" effect?
4. What is meant when two goods are called "complements" to each other?
5. What are the five factors that economists believe can cause a change in demand?
6. Identify economic factors that economists believe can cause a change in supply.
7. Identify economic factors that can cause a change in both supply and demand.
8. What is the "supply curve?"
9. What is a government subsidy? Why would a government give a subsidy?
10. Describe the "economic state of equilibrium."
11. In some circumstances, the Law of Supply and Demand ought to be regulated by what two factors?
12. Describe "elasticity" and "inelasticity."

Do the Chapter 4 Review. Review the chapter. Answer in your notebook or on the computer the Chapter Review questions. Only the Define, Identify, and Explain sections need to be graded. This grade should be averaged with other Chapter Reviews and put in Section A of the First Quarter Report Form.

**Updated 3/29/2019**



SOC45218ALP