

Economics

Unit 2: Personal Finance

Overview:

As you leave behind the comfort and safety of childhood and head out into the “real world,” you will have opportunities and responsibilities that you may have never considered. There are many choices from whether or not to continue school, where to live, what job to pursue, etc. Too often, people fail to consider the long-term consequences of short-term opportunities. You can’t live in Michigan these days and not know someone who went through a home foreclosure, a personal bankruptcy filing, or finding out at the last minute that they can’t afford to retire after all. While this is sometimes unavoidable, many people in these dire economic situations can look back and see exactly where they went wrong. We all make uninformed choices in our younger years, and often we regret them for decades to come. In this unit, we will briefly discuss some of things that you should consider before you really screw up your life.

Big Questions and Goals:

Over the course of this unit, you should:

- Develop a personal finance strategy for earning, spending, saving, and investing resources.
- Evaluate key components of personal finance including, money management, saving and investment, spending and credit, income, mortgages, retirement, investing, and insurance.
- Explain the American Social Security system. (Why it emerged, how it works, and questions about its future.)
- Identify and evaluate the different taxation methods in our system.

Daily Schedule:

	Topic	Learning Target	Key Vocabulary	Reading Assignment
Mon 9/16	Go over Unit 1 Test			
Tue 9/17	Career Planning and Budgeting	Develop an idea of what you want to do, and a basic plan for getting there.	Budget	<i>Economics and You 7.1</i>
Wed 9/18	Interest and Mortgages	Evaluate the different types of mortgage options.	Compound interest	
Thu 9/19	Marketwatch Simulation			
Fri 9/20	Naked Economics Ch.6	Human Capital		
Mon 9/23	Stocks	Evaluate the relative merits of different investment options.	Stocks Bonds	<i>Economics and You 7.3</i>

			Mutual funds	(139-142)
Tue 9/24	Taxes	Identify the different types of taxes that Americans pay, and their use.		
Wed 9/25	Savings and Retirement	Explain the American Social Security system. (Why it emerged, how it works, and questions about its future.) Evaluate the relative merits of different retirement savings plans	FICA Defined benefit plan. Defined contribution plan IRA/Roth IRA	<i>Economics and You</i> 7.3 (135-138)
Thu 9/26	Credit	Explain the concept of credit, and evaluate the costs and benefits associated with the use of credit.		<i>Economics and You</i> 7.3 (133-135)
Fri 9/27	Naked Economics Ch. 7 Quiz	Financial Markets		Naked Economics ch.7
Mon 9/30	My Life project			
Tue 10/1	My Life Presentations			
Wed 10/2	Personal Finance Quiz			