

**COLLEGE OF HUMANITIES AND SOCIAL SCIENCES
FAMILY AND CONSUMER SCIENCE
FSC 268, CONSUMER ECONOMICS
SUMMER I 2008**

INSTRUCTOR: Dr. Harriet Griggs

OFFICE: AB213

Office Hours: Monday through Friday
9:00 a.m. to 10:00 a.m. (I will be glad to make an appointment with you if
you need to meet with me at a different time.)

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COURSE DESCRIPTION:

Study of consumer finance and consumption. Includes the study of rational consumer decisions in an electronic economy, major consumption expenditures, earning money, budget management, risk management, financial management, quality assessment, branding, grading, marketing, and consumer legislation.

Course materials will be presented in combinations of lecture, discussion, video, electronic, and activity formats.

COURSE OBJECTIVES: By the end of the semester students should be able to :

1. Discuss aspects related to the consumer in our electronic economy as directed in class. (C-A-4)
2. Outline in detail how an individual can make rational consumer decisions according to guidelines. (C-A-4)
3. Analyse how a flood of advertising can affect a consumer as directed in class. (C-A-4)
4. Summarize the many faces of fraud and tell ways to avoid consumer fraud according to information in the text. (C-C-2)
5. Point out ways in which the consumer is protected in our electronic economy as directed by the professor. (A-A-4)

6. Disclose aspects related to the consumer as wage earner and options available to the consumer as instructed in class. (C-E-6)
7. Appraise how the consumer has to live with what he has according to materials reviewed. (C-E-6)
8. Discuss how paying for government affects the consumer by following guidelines given in class. (C-A-4)
9. Evaluate aspects related to the \$850+ billion American diet through class discussion. (C-E-6)
10. Disclose aspects which a consumer must know before purchasing household products from the market place per directions given in class. (A-O-4)
11. Assess details a consumer should be aware of prior to the purchase of an automobile. (C-E-6)
12. Differentiate factors involved in putting a roof over your head as given in the text. (C-A-4)
13. Use resources to explain aspects related to banks and the banking system. (A-V-3)
14. Interpret information related to the indebted consumer as given in the textbook (C-C-2)
15. Identify various methods a consumer can use to save and invest in order to become a rational consumer. (C-K-1)
16. Outline factors related to the health care dilemma according to information given. (C-A-4)
17. Identify information related to insuring the home and automobile as discussed in class. (C-K-1)
18. Analyse factors a consumer should be aware of before the purchase of life insurance and having a need for Social Security. (C-A-4)
19. Give examples of information to become aware of prior to the retirement years after class discussion. (C-C-2)
20. Describe in detail information needed by an individual in order to become an environmentally responsible consumer according to information discussed. (C-A-4)

21. Interpret the topic “consumers in a changing world” after discussion in class. (C-C-2)
22. Demonstrate efficiency when writing reports related to a minimum of four major topics in the textbook. (P-M-4)
23. Identify other pertinent topics related to consumer issues which are of interest to the class.

TEXTBOOK: Miller, R.L. and Stafford, A.F. (2003). *Economic Issues for Consumers*. (10th ed.) Belmont, CA: Wadworth/Thomson Learning.

COURSE EVALUATI

Tests (3 @ 100 points each)	300
Consumer News Summaries (2 @ 50 points)	100
Consumer Comparisons (3 @ 50 points)	150
Budget Assignment	200
Final Examination	100
Participation	<u>100</u>
Total Points Possible	950

The participation grade is based on attendance. Every absence will result in a reduction of the Participation grade of three points unless the absence is excused by the instructor.

Grading Scale:

- A – 855 to 950 points
- B – 760 to 854
- C – 665 to 759
- D – 570 to 664
- F- any score below 570

All tests and the final examination are in multiple choice format. Any student missing a test may complete that test on the day specified in the course calendar if the absence is excused by the instructor.

ACADEMIC POLICY FOR STUDENTS WITH SPECIAL NEEDS:

It is the policy of Sam Houston State University that individuals otherwise qualified shall not be excluded solely by reason of their disability, from participation in any academic program of the university. Further, they shall not be denied the benefits of these programs not shall they be subjected to

discrimination. Students with disabilities that might affect their academic performance are expected to visit with the Office of Services for Students with Disabilities located in the Counseling Center. They should then make arrangements with their individual instructors so that appropriate strategies can be considered and helpful procedures can be developed to ensure that participation and achievement opportunities are not impaired. Sam Houston State University adheres to all applicable federal, state, and local laws, regulations and guidelines with respect to providing reasonable accommodations for students with disabilities. If a student has a disability that may affect adversely his/her work in this class, then the student is encouraged to register with the SHSU Counseling Center and to talk with the instructor about how best to deal with the situation. All disclosures of disabilities will be kept strictly confidential. NOTE: no accommodations can be made until the student registers with the Counseling Center.

RELIGIOUS HOLIDAYS:

Section 51.911(b) of the Texas Education Code requires that an institution of higher education excuse a student from attending classes or other required activities, including examinations, for observance of a religious holy day, including travel for that purpose. A student whose absence is excused under this subsection may not be penalized for that absence and shall be allowed to take an examination or complete an assignment from which the student is excused within a reasonable time after the absence. University policy 861001 provides the procedures to be followed by the student and the instructor. A student desiring to absent himself/herself from a scheduled class in order to observe (a) religious holy day(s) shall present to each instructor involved a written statement concerning the religious holy day(s). The instructor will complete a form notifying the student of a reasonable timeframe in which the missed assignments and/or examinations are to be completed.

COURSE OUTLINE:

- UNIT I; An Economic Foundation for Consumer Decisions**
- A. Scarcity
 - B. The Necessity of Choice
 - C. Demand and Supply Analysis- A Brief Introduction
 - D. Consumer Sovereignty in a Market Economy
 - E. The Real World of Imperfect Competition
 - F. Americans in an Electronic Market
 - G. New Technologies – New Responsibilities
 - H. Consumer Economics in an Electronic Economy
 - I. Consumer Issue: Being an Ethical Consumer

- UNIT II: Making Rational Consumer Choices**
- A. Decisions, Decisions
 - B. Rational Consumer Decision Making
 - C. Values and Rational Decision Making
 - D. The Decision Making Process
 - E. Pitfalls in Rational Consumer Decision Making
 - F. Time Management and Rational Decision Making
 - G. Consumer Issue: How to Buy Technology-Based Products
- UNIT III: A Flood of Advertising**
- A. Costs and Benefits of Advertising
 - B. Brand-name Advertising
 - C. Other Types of Advertising
 - D. The Ugly Side of Advertising
 - E. Advertising and Your Privacy
 - F. Your Telemarketing Rights
- UNIT IV: The Many Faces Of Fraud**
- A. Consumer Products Fraud
 - B. Steps to Take to Protect Yourself
 - C. Internet Fraud
 - D. Consumer Issue: The Dangers of Identity Theft
- UNIT V: Protection for the Consumer**
- A. Sources of Consumer Protection
 - B. Consumer Responsibilities
 - C. Enforcement of Federal Consumer Protection
 - D. State and Local Governments and Consumer Protections
 - E. Sources of Private Sector Consumer Protections
 - F. Private Industry's Self-Regulation
 - G. Warranties and Consumer Protection
 - H. Consumer Issue: Finding Help for Consumer Problems
- UNIT VI: The Consumer as a Wage Earner**
- A. Investment in Human Capital
 - B. Occupational Wage Differentials
 - C. The Problem of Inflation
 - D. Consumer Issue: Choosing the Right Career
- UNIT VII: Creating a Living Budget**
- A. Consumers Need A Spending Plan
 - B. Budget Making: Goals and Values Clarification
 - C. How the Typical Household Allocates Its Income
 - D. Creating a Budget Plan
 - E. Reviewing Your Budget
 - F. Fitting It All Into a Life-span Plan

- G. Budget Assistance Programs
- H. Consumer Issue: Budgeting for Recreation and Leisure
- I. Privately Prepared Information
- J. Consumer Issue: Rational Internet Shopping

UNIT VIII: Paying For the Government

- A. The Why's and How's of Taxation
- B. Personal Federal Income Tax
- C. Consumer Issue: Preparing Your Income Tax Return

UNIT IX: Choosing A Healthful Diet

- A. Choosing the Food We Eat
- B. Government Labeling and Inspection Requirement
- C. Food Labels and the Consumer
- D. Nutrition
- E. Food Additives
- F. Health, Natural, and Organic Foods
- G. The Growing Trend Toward Convenience Food
- H. Getting the Most From Your Shopping Dollar
- I. Consumer Issue: Good Health and Weight Control

UNIT X: Purchasing Household Products

- A. Clothing, Happiness, and Budget Considerations
- B. Indications of Quality
- C. The Powerful Fashion Industry
- D. Choosing Durable Goods
- E. Consumer Durables As an Investment
- F. The Special Case of Buying Furniture
- G. Consumer Issue: Saving Money by Saving Energy

UNIT XI: Satisfying Transportation Needs

- A. We Depend on Cars in Many Ways
- B. The Trend Toward Safer Automobiles
- C. The Social Costs of Driving
- D. The Private Costs of Driving
- E. Deciding When to Buy
- F. Deciding What You Want
- G. Getting the Best Deal on a New Car
- H. Leasing Versus Buying
- I. Should You Choose a Used Car?
- J. Final Guidelines for Consumers

UNIT XII: Choosing A Place to Live

- A. Why Are We Willing to Pay So Much?
- B. Renting Versus Buying
- C. If You Decide To Buy

- D. Making The Offer
- E. Title Examination and Insurance
- F. Different Types of Homes
- G. Paying for Your Home
- H. Different Kinds of Mortgages
- I. Creative Financing
- J. Mortgage Repayment Terms
- K. Closing Costs
- L. Consumer Issue: Renting a Home

UNIT XIII: Banks Help Consumers Save and Spend

- A. Why Save At All?
- B. Where Should You Stash Your Cash?
- C. How Banks Help Consumers Spend
- D. How To Avoid Checking Problems
- E. How To Settle a Complaint With A Bank
- F. Consumer Issue: How To Use Electronic Banking

UNIT XIV: Using Credit Responsibly

- A. Sources of Credit
- B. Why Borrow?
- C. Saving Versus Credit Buying
- D. What It Costs to Borrow
- E. Consumer Credit Legislation
- F. Equal Credit Opportunity
- G. Fair Credit Billing Act
- H. Fair Credit Reporting Act
- I. Fair Debt Collection Practices Act
- J. Subprime Lending
- K. Predatory Lending
- L. Going Into Personal Bankruptcy
- M. Consumer Issue: Making Credit Decisions

UNIT XV: Investing For Your Future

- A. Some Facts About the Stock Market
- B. Making Money in the Stock Market
- C. Mutual Funds
- D. Is There No Way to Get Rich Quick?
- E. Watch For Those Sure Fire Schemes
- F. Pensions and Retirement Funds
- G. Consumer Issue: Making Personal Investment Plans

UNIT XVI: THE HEALTH CARE DILEMMA

- A. The Foundation of Insurance – Risk Pooling
- B. Our Need For Medical Insurance
- C. The Government Steps In

- D. The Insurance Framework
- E. The Supply of Medical Care
- F. Drug Regulation and Its Costs
- G. High Tech Medicine
- H. The Malpractice System
- I. Who Can Afford The Medical bill?
- J. Health Care Dilemma – Or Crisis?
- K. Tackling Waste and Inefficiency
- L. Universal Health Insurance Coverage
- M. Consumer Issue: Purchasing Medical Care

UNIT XVII: Insuring Your Home and Automobile

- A. Insuring Your Home
- B. Automobile Insurance
- C. Consumer Issue: Choosing A Lawyer

UNIT XVIII: Life Insurance and Social Security

- A. Life Insurance and Our Need For Security
- B. The Basic Types of Life Insurance
- C. Some Specialized Insurance Policies
- D. Reading A Life Insurance Contract
- E. Choosing a Sound Life Insurance Contract
- F. Involuntary Benefit Programs – The Case of Social Security
- G. Consumer Issue: How To Meet Your Insurance Needs

UNIT XIX: Looking To The Future

- A. What the Future Holds
- B. The Future of Technology
- C. Globalization of the World Economy
- D. The Technological Assault on Privacy
- E. Ethical Choices and the Cost of Medical Technology
- F. Protecting the Environment is Everyone's Responsibility
- G. Consumer Issue: Living a Green Life

