

# Introduction to Economics Course



Yumna Ebrahim, an economist and part-time lecturer, unpacks and explains economic jargon and concepts in a simple, yet informative manner, in this practical one day economics course.

*“Nobody ever became rich from knowledge of economics, but nobody who is rich got that way without an understanding of how economic forces work.....” Anonymous*

## Who should attend?

This course is open to anyone who is curious about economics and why it has such a big impact on our lives. The course is targeted at individuals who do not have prior formal economics training, but who would be keen to grasp a practical understanding of economics and key concepts within the South African economy specifically.

If you are thinking about a future career in economics, but have never studied it before, or simply want to know more about the subject, then this course is also designed for you.

## Why should you attend?

Economics is part of everyone’s daily life - it can be found everywhere and it can be used to explain most things, which is why a basic understanding of economics is essential!

Thinking like an economist will give you the tools to better understand business decisions made by individuals, companies and governments. The course will help you to recognise how the economy impacts on your life and on your business.

## Course overview

Taught in a **non-technical** way, the course will provide you with a sound knowledge of and an ability to apply the key principles of economics to everyday events. Within this course, we will explore both micro- and macro-economics: that is, the study of individuals, consumers and firms, as well as looking at the wider economy and concepts such as economic growth, unemployment and consumption.

The key topics that will be covered in this course include:

### 1. Introduction to basic economic concepts

- What is economics about?
- Micro vs Macro-economics

## 2. Market Forces

- Supply vs Demand
- What makes the economy go round? This section will explain how micro- and macro-economic factors work together in a fully functioning economy, by explaining the 'circular flow of income' concept and will provide participants with an understanding of households/firms/government and the foreign sector and how they work together in a co-ordinated process.

## 3. Economic growth

- Consumption - the largest portion of GDP; components of household consumption (durable, semi durable, non-durable and services); factors that influence consumer demand e.g. business confidence, unemployment.
- Investment - importance of investment; factors which inhibit investment growth; data on investment spending in South Africa by the private /government sector.
- Government spending - government spending and its importance during recession, e.g. programmes such as the Expanded Public Works Programme (EPWP); context of excessive government spending and its impact on ratings agencies' views of South Africa.
- Balance of payments - reasons why South Africa is a high import intensive country.

## 4. Economic cycles

- Recession vs boom
- Monetary policy - inflation and interest rates
- Fiscal policy

**5. What makes the South African macro-economy unique?** Interesting facts about the structure and composition of the South African macro- economy; key sectors; unemployment; price stability; Rand exchange rate; the annual budget; income inequality; explanation on how government policy/politics/ high trade union presence has shaped the culture and growth environment in South Africa.

**6. Conclusion and closing.** The day will end off with looking at various business related newspaper articles and applying the concepts learnt during the day and having discussions on their macro-economic implications.

### What is the duration and cost of the course?

This is a *one day* course hosted at Econometrix Park (Houghton, Johannesburg), or if you prefer, on-site at your organisation.

The cost for the off-site course is R1,500 (excl. VAT) per delegate, and includes course material, breakfast, lunch and tea.

The cost for the on-site course will vary according to a company's specific requirements.