

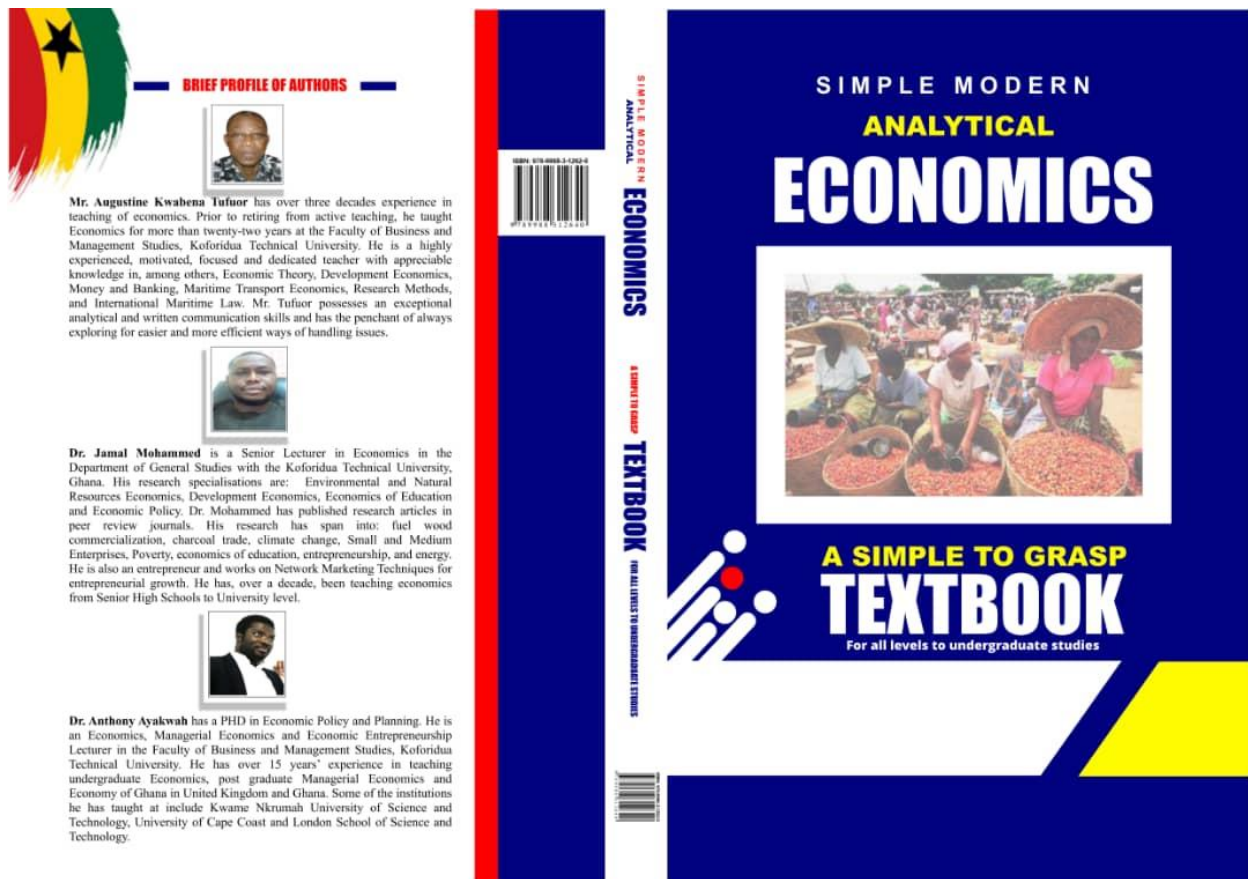
SIMPLE MODERN ANALYTICAL ECONOMICS

AFRICA DEVELOPMENT AND RESOURCES RESEARCH INSTITUTE (ADRRI) publishes content through ADRRI Journals. This book which was published on 1st July, 2021 seeks to bridge the gap in Teaching and Learning Economics from Senior High Schools to Undergraduate Level. The full content of this Book could be purchased from:

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SIMPLE MODERN ANALYTICAL ECONOMICS

(An Easy to Grasp Textbook for all Levels to Undergraduate Studies)

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Foreward

Economics as a subject has become very critical in our part of the world. This is primarily because of the plethora of challenges that confront us as a country. To effectively understand and tackle these challenges, it often has required those with some knowledge in economics. It is therefore not surprising that at the tertiary level of learning especially the Universities and Technical Universities, Economics happens to be one of the courses an appreciable proportion of students have to study and pass before they would qualify to graduate. At the Senior High School level, the subject is the reserved of Business Students and some General Arts, Visual Arts and Home Economics programmes.

Generally, there is a huge notion in this country that Economics is very difficult. Be it at the Senior High or tertiary level, reading Economics becomes easy to understand when one is in possession of a well written textbook. For those who study Economics as a subject at the Senior High level, reading Economics at the Tertiary level may not be entirely new. However, the depth of analysis at this level even at the introductory stage sometimes makes many not to easily relate what they read at the Senior High level of studies to the current level. Many of those who never read Economics at the Senior High level are often met with some challenges in their bid to understand what they are being taught.

The above worrisome situation, to the authors, can be attributed to the fact that the existing textbooks are for the two extreme levels of studies. That is, there are separate textbooks for both Senior High School students and those of Tertiary students thereby making it difficult for first time students of Economics at the tertiary level to face initial struggles. This more often than not causes many to lose interest in the course. A textbook that can serve as a bridge between the Senior High School and the Tertiary levels is therefore crucial.

Accordingly, the authors have therefore committed time, energy, and resources to come out with this textbook to serve the above purpose. The academic training the authors have received, their rich classroom experience from the interaction with students over the years and their practical engagement with industrial players are reflected in this textbook they have produced.

Majority of the Economics textbooks for Tertiary students on the shelves of many bookshops in the country are written by foreign authors and as such their contents are also inundated with examples that are foreign to many students. Moreover, the style of presentation is somehow different from what students in our part of world are familiar with or can easily follow. To have a somewhat unique textbook the authors have consciously presented each of the book's eleven units in a manner that one can easily follow and understand. For students to appreciate the issues addressed in the textbook very well, examples from our local setting have been cited. In cases where foreign examples have been cited, they happen because they have bearing on another local example that have been cited.

The simplicity of the language makes the eleven units textbook reader friendly and one which meets the needs of both Senior High School and Tertiary students. For the many Economics teachers or lecturers including me who have desired for textbooks that have local examples I am convinced this textbook is in for us all. It is a must read!

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Preface

The authors have considered many challenges that students faced in putting economics resources together to understand modern economics. Based on these, the authors have pieced together an extensive, detailed explanation of requirements for better understanding and knowledge of students in economics.

The authors have followed dominant approaches, strategies and textbooks used in teaching economics. This makes the content of this particular book easy to grasp by both Senior High Schools and Undergraduate Students.

The desire to produce a book that has such a direct relevance to the Ghanaian students was born out of several years of teaching in public universities in Ghana. We believe the most effective way to engage and whipe-up interest for the subject at the undergraduate level is to offer an easier and comprehensible literature that can be relatable. The many years of teaching economics have served as an asset and helped the authors to contextualise local situations and utilise them to make sense of the subject matter.

Subsequently our book enables students to clearly see the relationships among key concepts and their applications in the real world through abundant practise, which is relevant to their world of work.

The review process has equally been robust as each unitconstitute part of lecture materials utilised for over 10 years and which have been continuously modified to meet current needs. Subsequently, over eight experts in the field have utilised and made recommendations in arriving at the content of this book. We have equally added questions at the end of each chapter to encourage practise and understanding of the concepts.

About the Book

There exists a plethora of literature that attempt to simplify economic principles and concept for everyday life, mostly disaggregated into text suitable for pre undergraduate level or undergraduate. Unlike previous books, this Economics book is unique in that it is a fusion of an Introduction to Microeconomics and Principles of Macroeconomic theories and models which have been simplified to enhance comprehension and thus, made easy for readers to relate to their daily economic activities.

The clarity and simplicity of the text makes it suitable for pre-undergraduate and undergraduate level students. The authors hold the belief that a good quality book should stand the test of time and serve as a manual to guide everyday living, that is exactly what this book has been designed to achieve.

The book commences with an **Introduction to Microeconomics**. In the first part of this section, the text leads the reader into the foundation of economics and some key concepts that project the scientific nature of economics. Several theories and assumptions are merged together to provide the reader with a very good understanding of the nature of economics. The book further brings clarity by introducing various modes of resource allocation and key terminologies to ensure that the beginner has a good appreciation of what economics is. The section continues with the concept of price theory by examining buyers' and sellers' behaviour in the market in two separate partial equilibrium analysis. The book utilises the elasticity concept to offer a detailed appreciation and precision in evaluating determinants of price theory. An in-depth examination of the consumers' and producers' behaviour is presented in the theory of consumer behaviour and production theory respectively. The first section ends with the market structure.

The second part of this book is dedicated to **Macroeconomic Principles**. The book uses the simplified circular flow model to demonstrate the operations of an economy. An account of a nation's income is undertaken using product, output and expenditure approaches with emphasis on the suitability of the approach based on their merits and demerits. Using the Keynesian model, the book demonstrates how a nation's income is determined. It demonstrates the role of government in addressing the short coming in the market economy and presents the multiplier effects in the determination of aggregate expenditure for an economy. This is followed by discussion on monetary policy and banking and major financial markets, inflation and unemployment. The rest of the section provides detailed appreciation of international trade theories and ways by which government finances its budget.

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