

History / Social Science Standards

Level 12

ECONOMICS

INTRODUCTION:

Economics is a course studied in historic context in which students will deepen their understanding of the micro- and macro economic problems and institutions of the nation and world in which they live. They will learn basic economic principles and operations so that they can make reasoned decisions on economic issues as citizens, workers, consumers, business owners and managers.

HISTORY /SOCIAL SCIENCE

UNIFYING STANDARDS

LEVELS PRE K – 12

- 1.0 Historical Literacy:** Students understand history as an interpretive study of continuity and change within a chronological framework. They know the major events, eras, concepts, people, topics and issues that define and influence United States and world history. They analyze cause and effect relationships, consequences and patterns, make interpretations, judgments and draw conclusions from data using a variety of historical documents that reflect multiple perspectives.
- 2.0 Cultural Literacy:** Students understand the rich, complex nature of a given culture. They recognize that our nation is composed of people from around the world who represent diverse backgrounds, ways of life and various perspectives, which are valued and respected. They understand that a culture captures and expresses ideas, beliefs and values over time.
- 3.0 Geographic Literacy:** Students recognize the relationships among place, location, human and environmental interaction, movement, and region. They know that human and environmental processes shape the characteristics of places and regions, and influence historical events and issues. They use, analyze, design, interpret and evaluate geographic information.
- 4.0 Economic Literacy:** Students analyze and understand economic systems and concepts. They explain the basic processes of supply and demand, market economies and distribution of scarce resources. They interpret trends and basic indicators of economic performance in order to analyze economic and political issues.
- 5.0 Sociopolitical Literacy:** Students understand political and social systems, the origins of our national identity, the relationship between a society and its laws, and the differences between democratic and non-democratic systems. They realize that a democracy depends on the participation of responsible, informed, and ethical citizens.
- 6.0 Historical Thinking:** Students develop and apply historical understanding as they read, research, analyze and interpret information from a variety of sources and points of view. They communicate their thinking through writing, reading, speaking and multimedia presentations.

FOCUS GOALS

Level 12

ECONOMICS

This one-semester course emphasizes two K-12 **UNIFYING STANDARDS**:

Economic Literacy 4.0: Students analyze and understand economic systems and concepts. They explain the basic processes of supply and demand, market economies and distribution of scarce resources. They interpret trends and basic indicators of economic performance in order to analyze economic and political issues.

Historical Thinking 6.0: Students develop and apply historical understanding as they read, research, analyze and interpret information from a variety of sources and points of view. They make connections and communicate their thinking through writing, reading, speaking and multi-media presentations.

Students are expected to achieve these essential **FOCUS GOALS**:

Economic Literacy 4.0:

- 1.0 Understand common economic terms, concepts and economic reasoning.
- 2.0 Analyze the elements of America's market economy in a global setting.
- 3.0 Understand the influence of the federal government on the American economy—fiscal and monetary policies.
- 4.0 Understand and analyze the elements of the U.S. labor market in a global setting.
- 5.0 Understand and analyze the aggregate economic behavior of the U.S. economy.
- 6.0 Understand and analyze issues of international trade and explain how the U.S. economy affects, and is affected by, outside economic forces.
- 7.0 Understand savings, investments and interest rates.
- 8.0 Understand characteristics of different economic systems, institutions and incentives.
- 9.0 Understand how Gross Domestic Product and inflation and deflation provide indications of the state of the economy (business cycle).
- 10.0 Understand the market system's approach to the role of money and banking.

Historical Thinking 6.0:

- 6.1 Make historical connections by applying Language Arts literacy skills in reading.
- 6.2 Make historical connections by applying Language Arts literacy skills in writing.
- 6.3 Make historical connections by applying Language Arts literacy skills in listening and speaking.

**HISTORY-SOCIAL SCIENCE
ECONOMICS
Level 12**

Throughout this course two Unifying Standards are emphasized: **Economic Literacy 4.0 and Historical Thinking 6.0**

Economic Literacy:

4.1 Understand common economic terms, concepts and economic reasoning. (12.1)

- Examine the causal relationship between scarcity and the need for choices. (12.1.1)
- Explain opportunity cost, marginal benefit and marginal cost. (12.1.2)
- Explain the difference between monetary and nonmonetary incentives and the impact incentives cause changes in behavior. (12.1.3)
- Evaluate the role of private property as an incentive in conserving and improving scarce resources, including renewable and nonrenewable natural resources.(12.1.4)
- Analyze the role of a market economy in establishing and preserving political and personal liberty using the works of *Adam Smith* (12.1.5)
- Define and describe *goods and services*. (p)
- Describe the roles of *producers and consumers*. (p)
- Explain the *factors of production*: land, labor, and capital. (p)
- Describe *entrepreneurship*, including the notions of *risk, reward, and profit*. (12.2.8)
- Describe *trade-off*. (p)
- Explain the use of *production possibilities* curves as a means of illustrating trade-offs and opportunity costs. (p)

4.2 Analyze the elements of America’s market economy in a global setting (12.2)

- Understand the relationship of incentives and substitutes to the laws of supply and demand. (12.2.1)
- Discuss the impact of changes in supply and/or demand on relative scarcity, price, and quantity of products. (12.2.2)
- Explain the roles of property rights, competition, and profit. (12.2.3)
- Explain how prices reflect the relative scarcity of goods and services and perform the allocative function. (12.2.4)
- Understand how competition among buyers and sellers determines a market price. (12.2.6)
- Analyze how domestic and international competition affects goods and services produced and the quality, quantity and price of those products. (12.2.7)
- Explain the role of profit as the incentive to entrepreneurs. (12.2.8)
- Describe the functions of financial markets. (12.2.9)
- Discuss the economic principles that guide the location of agricultural production, industry and distribution of transportation and retail offices. (12.2.10)
- Analyze, explain, construct and graph shifts in the demand curve caused by such determinants as prices and quantity demand; changes in consumer incomes, tastes, and preferences; prices of related products; and possible substitutions. (12.2)

4.3 Understand the influence of the federal government on the American economy—fiscal and monetary policies. (12.3)

- Understand that the government must often provide for national defense, address environmental concerns, define and enforce property rights, attempt to make markets more competitive and protect consumers’ rights. (12.3.1)
- Identify factors that may cause the cost of government actions to outweigh the benefits (12.3.2)
- Describe the aims of fiscal policies (taxation, borrowing, spending) and their influence on production, employment, and price levels. (12.3.3)

- Understand the aims, tools and limitations of monetary policy and their influence on economic activity such as the Federal Reserve. (12.3.4)
- Analyze the relationship among shortage, surplus, and equilibrium. (p)
- Define and give examples of elasticity and inelasticity. (p)
- Explain the effects of externalities. (p)
- Identify the economic roles of government in promoting full employment, stable prices, and rates of economic growth. (p)
- Describe and analyze the various types of taxation, including progressive, regressive, and proportional tax rates and their economic impact. (p)
- Explain the use of government spending and taxation programs to affect levels of economic activity in order to promote price stability, maximum employment, economic growth and the National Debt. (p)

4.4 Understand and analyze the elements of the U.S. labor market in a global setting. (12.4)

- Understand and explain the impact of unionization in a free enterprise system. (12.4.1)
- Describe the current economy and labor market: types of goods and services produced, skills workers need, effects of technological change, and impact of international competition. (12.4.2)
- Discuss wage differences among jobs and professions related to demand, supply and productivity. (12.4.3)
- Explain the effects of international mobility of capital and labor (12.4.4)
- Explain and describe the four market structures-monopoly, oligopoly, monopolistic competition, and perfect competition. (p)
- Analyze, explain, construct and graph the shifts in the supply curve caused by such determinants as taxes and number of firms entering or leaving the market, technology, prices of inputs, and prices of other products that could be made. (p)

4.5 Understand and analyze the aggregate economic behavior of the U.S. economy. (12.5)

- Distinguish between nominal and real data (12.5.1)
- Define, calculate, and explain the significance of an unemployment rate, number of new jobs created monthly, inflation or deflation rate, and rate of economic growth. (12.5.2)
- Distinguish between, and explain short and long-term interest rates. (12.5.3)
- Explain the four types of unemployment (frictional, structural, cyclical and seasonal). (p)
- Compare and contrast transfer payments and social insurance. (p)
- Explain how the decisions about distribution of income are made by individuals and firms making exchanges in resource markets, and also by governments through the political process. (p)

4.6 Understand and analyze issues of international trade and explain how the U.S. economy affects, and is affected by, outside economic forces. (12.6)

- Identify the gains in consumption and production efficiency from trade, with emphasis on the main products and changing geographic patterns of trade (12.6.1)
- Compare the reasons for and the effects of trade restrictions during the Great Depressions compared with present-day arguments among labor, business, and political leaders over the effects of free trade on various economic and social interests (12.6.2)
- Understand the changing role of international political borders and territorial sovereignty in a global economy (12.6.3)
- Explain the difference between balance of trade and balance of payments in international trade (exports/imports). (p)
- Compare and contrast the rationale for imposing barriers to trade, e.g., tariffs and quotas. (p)
- Explain the concept of absolute advantage and comparative advantage. (p)

4.7 Understand savings, investments and interest rates. (p)

- Describe the functions of savings and checking accounts in personal money management.

- Analyze and explain the role of consumer credit.
- Analyze and evaluate the options available for personal investment, including, but not limited, to stocks, bonds, mutual funds, real estate, and commodities.

4.8 Understand characteristics of different economic systems, institutions and incentives. (p)

- Analyze the three economic systems and explain for each system the goods and services that need to be produced and how to produce them, the quantity of goods that need to be produced, who produces these goods and services, and for whom the products are made. (p)
- Describe a tradition-based economic system, in which production and distribution decisions are determined largely by custom. (p)
- Describe a command economic system, in which a central authority makes major production and distribution decisions. (p)
- Explain the impact of division of labor and specialization on economic systems.(p)
- Describe a market economic system, in which production and distribution decisions are decentralized because they are made by individual households and business enterprises. (p)
- Describe the free enterprise system, in which goods and services generally are produced by the private sector. (p)
- Examine how wages and prices are determined in today's mixed economies. (p)
- Compare and contrast how the allocation and distribution of resources differ in economic systems. (p)

4.9 Understand how Gross Domestic Product and inflation and deflation provide indications of the state of the economy (business cycle). (p)

- Explain gross domestic product (GDP) as a lead or lag indicator (measure) of the functioning of the economy.
- Analyze inflation and deflation as measures of economic performance.
- Compare and contrast the consumer price index and producer price index.
- Analyze unemployment as an indicator of the state of the economy.

4.10 Understand the market system's approach to the role of money and banking. (p)

- Explain the historical evolution of money.
- Discuss the nature of money and its supply and demand.
- Describe the main types of financial institutions.

Historical Thinking should be imbedded in each unit throughout the semester.

6.1 Make historical connections by applying Language Arts literacy skills in reading (p)

- Apply vocabulary encountered through the reading of primary and secondary source documents and text resources to learn fundamental economic concepts. (r .1.0)
- Know and use strategies to comprehend informational materials and grade level text in economic education. (r. 2.0)
- Read a wide variety of genres including newspapers, political advertisements, cartoons, and speeches. (r.3.0)

6.2 Make historical connections by applying Language Arts literacy skills in writing (p)

- Write “quick writes” that address current trends, events and controversial issues. (w.2.0)
- Write expository compositions, essays, research reports and historical investigation reports on economic topics. (w. 2.0)
- Write reflective compositions on a variety of economic topics. (w.2.0)

- Use technology and various reference sources to gather information that will be organized and interpreted to create thesis-based research papers. (w.3.0)

6.3 *Make historical connections by applying Language Arts literacy skills in listening and speaking.*(p)

- Take notes in economic classes. (l.1.0)
- Participate actively in discussions. (s.2.0)
- Deliver presentations, persuasive debates and multimedia presentations on economic topics. (s.3.0)