



Economics Curriculum Bundle #3

Title		Suggested Dates
Types of Business	 	Semester 1 – Oct. 4 – Oct. 22 (14 days) Semester 2 – Feb. 22 – March 11 (14 days)

Big Idea/Enduring Understanding	Guiding Questions
<ul style="list-style-type: none"> Consumers, businesses, and government have both independence and interdependence. In a free enterprise system, businesses compete to provide goods and services. 	<ul style="list-style-type: none"> How are consumers, businesses, and government both independent and interdependent? How does competition build a healthy free enterprise system?

The resources included here provide teaching examples and/or meaningful learning experiences to address the District Curriculum. In order to address the TEKS to the proper depth and complexity, teachers are encouraged to use resources to the degree that they are congruent with the TEKS and research-based best practices. Teaching using only the suggested resources does not guarantee student mastery of all standards. Teachers must use professional judgment to select among these and/or other resources to teach the district curriculum.

Knowledge & Skills with Student Expectations	Specificity & Examples	Suggested Resources (Read the note above)
<p>Resource for all Economics TEKS: The National Council for Economic Education has lessons to help teach Economics concepts. Many of their lessons are online http://www.econedlink.org/standards/</p> <p>There is also a green CD available in each campus library titled “Virtual Economics.” It contains even more lessons from NCEE (1200 economics lessons, K-12). How to search: Choose “Browse Economics Lessons” then “Search by Standard” then “Texas.” Lessons will be displayed by individual TEKS.</p> <p>Some lessons could be taught at multiple grade levels. If you find and use a lesson that you want protected at your grade level in future years, please email Sara Lucas to make that request.</p>		
<p>ECO.2 Citizenship. The student understands the rights and responsibilities of businesses in the U.S. free enterprise system. The student is expected to:</p> <p>ECO.2A analyze the economic rights and responsibilities of businesses;</p>	<ul style="list-style-type: none"> Creation and use of credit Follow government regulations and laws Hiring practices, worker relations and environment Treatment of customer 	<p>National Council of Economic Education website: http://www.ncee.net/</p> <p>Texas Council of Economic Education website: http://www.economicstexas.org/</p> <p>Virtual Economics CD (in each school’s library)</p>
<p>ECO.2 Citizenship. The student understands the rights and responsibilities of businesses in the U.S. free enterprise system. The student is expected to:</p>	<ul style="list-style-type: none"> Government responses (fines, court regulations, and oversight) Mergers, acquisitions, closures, downsizings Employee attrition Ability to grow, research and development Market share and responsiveness 	

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<p>ECO.2B analyze the consequences of an economic decision made by a business;</p>		
<p>ECO.2 Citizenship. The student understands the rights and responsibilities of businesses in the U.S. free enterprise system. The student is expected to:</p> <p>ECO.2D identify and evaluate ordinances and regulations that apply to the establishment of various types of businesses.</p>	<ul style="list-style-type: none"> • Zoning laws - businesses can only exist in certain areas • Businesses in commercial areas compared to neighborhood area • Anti-trust legislation and merger oversight – laws to prevent new monopolies or trusts from forming and to break up those that already exist • Smoking and Noise ordinances – restrictions passed by the voters • Proximity, variance, and quota restrictions • Patents, copyrights, trademarks, and registries 	
<p>ECO.3 Citizenship. The student understands the right to own, use, and dispose of private property. The student is expected to:</p> <p>ECO.3A analyze an example of the responsible purchase, use, or disposal of personal and business property; and</p>	<p>Responsible purchase, use, and disposal of private property by gathering, comparing, and disseminating information.</p>	
<p>ECO.3 Citizenship. The student understands the right to own, use, and dispose of private property. The student is expected to:</p> <p>ECO.3B identify and evaluate examples of restrictions that the government places on the use of business and individual property</p>	<ul style="list-style-type: none"> • Zoning and variance laws - businesses can only exist in certain areas • Eminent domain • Business ordinances • Health and access restrictions <ul style="list-style-type: none"> o OSHA o ADA 	
<p>ECO.9 Economics. The student understands types of business ownership and types of market structures. The student is expected to:</p> <p>ECO.9A explain the characteristics of sole</p>	<ul style="list-style-type: none"> • A sole proprietorship is a business owned and operated by one person. The life of the proprietorship is limited to the life of the owner. The sole proprietor enjoys the rights to all profits and bears the responsibility for all debts and liability. It is the most common form of business in the U.S. (approximately 70% of all firms) and is the easiest to start up. It requires a small amount of capital to initiate or operate. • A partnership is a legally defined business owned and operated by two or more people. The structure of the partnership ceases to exist if one of the partners leaves the firm. The owners 	<p>National Council of Economic Education website: http://www.ncee.net/</p> <p>Texas Council of Economic Education website: http://www.economicstexas.org/</p> <p>Virtual Economics CD (in each school's library)</p>

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<p>proprietorships, partnerships, and corporations;</p>	<p>have defined liabilities for all debts and obligations of the firm. It is relatively easy to start up and manage if the partners cooperate. The partnership has greater growth potential, limited by the partners' collateral.</p> <ul style="list-style-type: none"> • A corporation is a legally defined business that is a separate legal entity from its owners; it has all the rights of an individual, to enter into contracts and to sue or be sued. Owners have little day to day control beyond electing the board of directors and determining the overall goals and objectives of the business. Owners have limited liability in the debts and obligations of the corporation. The corporation has the capability of unlimited life. It also has unlimited growth potential, as it is easy to raise financial capital by selling stocks and bonds. Corporations are expensive to start up and are subject to increased government regulations and taxation (corporate income tax). 					
<p>ECO.9 Economics. The student understands types of business ownership and types of market structures. The student is expected to:</p> <p>ECO.B analyze the advantages and disadvantages of sole proprietorships, partnerships, and corporations; and</p>	<table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <tr> <td colspan="2" style="text-align: center;">Types of Business Ownership</td> </tr> <tr> <td style="width: 50%; text-align: center;">Advantages</td> <td style="width: 50%; text-align: center;">Disadvantages</td> </tr> </table>	Types of Business Ownership		Advantages	Disadvantages	
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	Sole proprietorship	<p>Few legal considerations</p> <ul style="list-style-type: none"> • zoning ordinances • licensing requirements <p>Keep all of the profit</p> <p>Control of decisions</p> <ul style="list-style-type: none"> • quick response to the market • production and supply responsibilities • personal satisfaction 	<p>Unlimited liability—debt or money owed</p> <ul style="list-style-type: none"> • personally responsible for all business debts • personal property and risk of bankruptcy <p>Burden of operation</p> <ul style="list-style-type: none"> • frustration and stress • multi-functions requiring attention <p>Limited growth potential</p> <ul style="list-style-type: none"> • collateral—value that a borrower has to guarantee a loan ◦ usually limited ◦ usually includes personal property • difficulty in supervision of multiple plants—business site locations <p>Lack of Longevity</p> <ul style="list-style-type: none"> • The owner <u>is</u> the business • The risk of failure is greater; turn-over of proprietorships is great (contributing to the reality that banks do not like lending to proprietors) 	
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	Partnership	<p>Easy to form</p> <p>Specialization of strengths and skills</p> <p>Shared decision-making</p> <p>Shared liability</p> <ul style="list-style-type: none"> • more credit/collateral capabilities • greater survival odds <p>Personal satisfaction</p>	<p>Unlimited, personal liability</p> <p>Disagreements and conflicts lead to</p> <ul style="list-style-type: none"> • poor communications • inefficient and/or ineffective production <p>External/internal forces can work to break up the partnership</p>																	
	Corporation	<p>To stockholders</p> <ul style="list-style-type: none"> • limited liability (loss of amount invested) • clear profit (no work involved) <p>To the corporation itself</p> <ul style="list-style-type: none"> • separation of ownership and management • capital can be raised easily (stocks and bonds) • longevity—pool of owners and management constantly changes 	<p>Process of decision-making slow</p> <ul style="list-style-type: none"> • increased chain of command • government regulations and restrictions <p>Corporate profit taxation amounts to double taxation</p> <ul style="list-style-type: none"> • corporate income taxed because the law treats a corporation as an individual • individual stockholder's profit (dividends) taxed as personal income 																	
<p>ECO.9 Economics. The student understands types of business ownership and types of market structures. The student is expected to:</p> <p>ECO.9C describe characteristics and give examples of pure competition, monopolistic competition, oligopoly, and monopoly.</p>	<table border="1" style="width: 100%; border-collapse: collapse; margin: 0 auto;"> <thead> <tr> <th style="width: 15%;">Market</th> <th style="width: 15%;">Perfect Competition</th> <th style="width: 15%;">Monopolistic Competition</th> <th style="width: 15%;">Oligopoly</th> <th style="width: 15%;">Pure Monopoly</th> </tr> </thead> <tbody> <tr> <td>NUMBER OF DOMINATE FIRMS IN INDUSTRY</td> <td>None (no one can dominate in this market)</td> <td>Many</td> <td>Few</td> <td>One</td> </tr> <tr> <td>TYPE OF PRODUCT</td> <td>Identical</td> <td>Identical or similar</td> <td>Similar or differentiated</td> <td>Unique (no real substitutes)</td> </tr> </tbody> </table>				Market	Perfect Competition	Monopolistic Competition	Oligopoly	Pure Monopoly	NUMBER OF DOMINATE FIRMS IN INDUSTRY	None (no one can dominate in this market)	Many	Few	One	TYPE OF PRODUCT	Identical	Identical or similar	Similar or differentiated	Unique (no real substitutes)	
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	MARKET OR ADVERTISING INFORMATION NECESSARY	None (Advertising would be an unnecessary marginal cost)	Some: Product advertising (because of some product differentiation) Some price advertising	More: Product advertising (because of some product differentiation) Some price advertising	Little: mostly institutional (because of the uniqueness of the product)	
	EASE OF INDUSTRY ENTRY/EXIT	Very easy (minute barriers)	Fairly easy (low barriers)	Difficult (high barriers)	Prohibitive (extremely high barriers)	
	CONTROL OVER PRICE (WHICH ARE PRICE TAKERS, PRICE SEARCHERS, PRICE MAKERS/SETTERS)	None (Price Takers)	Little (Price Takers-Searchers)	Some (Price Searchers-Makers/Setters)	Much (Price Makers/Setters)	
	MARKET EXAMPLE	Agriculture or the selling of a company's stock within the stock market	name brand clothing, computers, airlines, car dealerships	Breakfast cereal makers, soft drink producers, automobile makers, airplane manufacturers	Electric power, water, cable TV, disk operating systems	
<p>ECO.19 History. The student understands economic ideas and decisions from the past that have influenced the present and those of today that will affect the future. The student is expected to:</p> <p>ECO.19B trace the history of the labor movement in the United States;</p>	<ul style="list-style-type: none"> • Early 19th Century – Labor Unions formed but no use of negotiations or strikes • 1820s – early social reforms • 1869 - Formation of the Knights of Labor • 1886-The formation of the American Federation of Labor (AFL) • 1880s and 90s – Violent confrontations between labor and management • 1935 - The formation of the National Labor Relations (Wagner) Act • 1938 - The formation of the Congress of Industrial Organizations (CIO) • 1947 - The Taft-Hartley Act 					
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<p>student is expected to:</p> <p>ECO.19D identify the contributions of entrepreneurs, past and present, such as Mary Kay Ash, Andrew Carnegie, and Bill Gates.</p>		
<p>ECO.26 Science, technology, and society. The student understands the effects of science and technology on an economy. The student is expected to:</p> <p>ECO.26A analyze the effect of technology on productivity;</p>	<ul style="list-style-type: none"> • Assembly lines – Productivity • Automation - Workforce • Computers and Internet – Global Market 	
<p>ECO.26 Science, technology, and society. The student understands the effects of science and technology on an economy. The student is expected to:</p> <p>ECO.26B analyze the economic effects of the development of communication and transportation systems in the United States;</p>	<p>Internet has made most remote areas accessible. Shipping service (UPS, Fed Ex) deliver faster than USPS</p>	
<p>ECO.26 Science, technology, and society. The student understands the effects of science and technology on an economy. The student is expected to:</p> <p>ECO.26C analyze the economic impact of obsolescence created by technological innovations; and</p>	<ul style="list-style-type: none"> • Forces the consumer to change purchasing habits to keep up with current technologies (VHS is out and DVDs are in) • Forces the producer to alter their manufacturing to keep up with the demands of the consumer. (consumer sovereignty) 	
<p>ECO.27 Science, technology, and society. The student understands the economic effects of scientific discoveries</p>	<ul style="list-style-type: none"> • Computer trading of stocks and bonds • Online banking, loans and purchasing • Consumer comparison shopping online 	

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<p>and technological innovations on households, businesses, and government. The student is expected to:</p> <p>ECO.27A give examples of types of economic information available as a result of technological innovations; and</p>		
<p>Social Studies Skills TEKS—The TEKS below are processing TEKS: They are designed to be used to help students process the social studies content TEKS above. In reality, teaching and learning involves using the Social Studies Skills TEKS many times throughout the school year, but these TEKS have been written explicitly into the curriculum only a couple of times each to make sure that they are each taught in depth.</p>		
<p>ECO.23 Social studies skills. The student applies critical-thinking skills to organize and use information acquired from a variety of sources including electronic technology. The student is expected to:</p> <p>ECO.23E analyze and evaluate the validity of information from primary and secondary sources for bias, propaganda, point of view, and frame of reference;</p>	<p>Some suggestions:</p> <ul style="list-style-type: none"> • Use print and television advertisements in class 	<p>Go to PISD website, click Staff tab for the following resources. See your librarian for login information.</p> <p>Encyclopedia Britannica EBSCO Databases netTrekker Free Music Library http://Maps101.com UnitedStreaming.com Search for various video topics. www.teach-nology.com Great activities can be found in: Teaching the Ethical Foundations of Economics (found in school library)</p>
<p>ECO.24 Social studies skills. The student communicates in written, oral, and visual forms. The student is expected to:</p> <p>ECO.24A use social studies terminology correctly;</p>	<ul style="list-style-type: none"> • when labeling graphs • also, see assurance words 	
<p>ECO.24 Social studies skills. The student communicates in written, oral, and visual forms. The student is expected to:</p> <p>ECO.24B use standard grammar,</p>		

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spelling, sentence structure, and punctuation;		
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