

**Grade 12 Economics
Vertical Alignment Document**

Knowledge and Skills Statements

Student Expectations

District Specifications

Citizenship

(1) Citizenship. The student understands the rights and responsibilities of consumers in the U.S. free enterprise system. The student is expected to:

(A) analyze the economic rights and responsibilities of individuals as consumers; and

Obtain information about the product purchased

Rational expectations – choosing the best quality product that is least expensive

(1) Citizenship. The student understands the rights and responsibilities of consumers in the U.S. free enterprise system. The student is expected to:

(B) analyze the consequences of an economic decision made by an individual consumer.

Opportunity Cost – the value of the next best alternative choice that the consumer did not take

Marginal utility

Caveat emptor

(2) Citizenship. The student understands the rights and responsibilities of businesses in the U.S. free enterprise system. The student is expected to:

(A) analyze the economic rights and responsibilities of businesses;

Creation and use of credit

Follow government regulations and laws

Hiring practices, worker relations and environment

Treatment of customer

(2) Citizenship. The student understands the rights and responsibilities of businesses in the U.S. free enterprise system. The student is expected to:

(B) analyze the consequences of an economic decision made by a business;

Government responses (fines, court regulations, and oversight)

Mergers, acquisitions, closures, downsizings

Employee attrition

Ability to grow, research and development

Market share and responsiveness

(2) Citizenship. The student understands the rights and responsibilities of businesses in the U.S. free enterprise system. The student is expected to:

(C) analyze the ethics policy of a selected business; and

Accounting practices

Following government regulations

Employee relationships

Marketing strategies

Product reliability and customer satisfaction

(2) Citizenship. The student understands the rights and responsibilities of businesses in the U.S. free enterprise system. The student is expected to:

(D) identify and evaluate ordinances and regulations that apply to the establishment of various types of businesses.

Zoning laws - businesses can only exist in certain areas

- o 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

(3) Citizenship. The student understands the right to own, use, and dispose of private property. The student is expected to:

(A) analyze an example of the responsible purchase, use, or disposal of personal and business property; and

Responsible purchase, use, and disposal of private property by gathering, comparing, and disseminating information.

(3) Citizenship. The student understands the right to own, use, and dispose of private property. The student is expected to:

(B) identify and evaluate examples of restrictions that the government places on the use of business and individual property.

Zoning and variance laws - businesses can only exist in certain areas

Eminent domain

Business ordinances

Health and access restrictions

o OSHA

o ADA

Economics

(4) Economics. The student understands the basic principles of the U.S. free enterprise system. The student is expected to:

(A) explain the basic principles of the U.S. free enterprise system including profit motive, voluntary exchange, private property rights, and competition; and

Profit – Money left after all the costs of production have been paid up

Voluntary Exchange-A transaction in which a buyer and seller exercise their economic freedom by working out their own terms of exchange

Private Property Rights-Whatever is owned by individuals rather than the government

Competition-Rivalry among producers or sellers of similar goods and services to win more business

Choice

(4) Economics. The student understands the basic principles of the U.S. free enterprise system. The student is expected to:

(B) explain the benefits of the U.S. free enterprise system including individual freedom of consumers and producers, variety of goods, responsive prices, and investment opportunities.

Greater individual freedoms and opportunities

Market responsiveness

Investment (entrepreneurial) opportunities

Higher standard of living

Freedom of choice

(5) Economics. The student understands the concepts of scarcity and opportunity costs. The student is expected to:

(A) explain why scarcity and choice are basic problems of economics; and

Scarcity – condition where unlimited wants are not met by production using limited resources.

Choice (trade off) – the necessity resulting from scarcity

(5) Economics. The student understands the concepts of scarcity and opportunity costs. The student is

expected to:

(B) interpret a production-possibilities curve and explain the concepts of opportunity costs and scarcity.

Production-Possibilities Curve (PPC) – graph showing the maximal combinations of two variables (possibilities frontier) that can be produced from a fixed amount of resources in a given period of time, other things being equal (ceteris paribus)

Opportunity Costs (alternative costs) – value of the next best alternative given up for that which was chosen (trade off)

(6) Economics. The student understands the circular-flow model of the economy. The student is expected to:

(A) interpret a circular-flow model of the economy and provide real-world examples to illustrate elements of the model; and

- Interpret a Circular-Flow Model of the Economy – classical economic model that pictures income/expenditures (money flow) and products/resources (real flow) as flowing continuously between businesses and consumers
- Businesses pay for use of resources (wages, interest, rents, profits) to individuals who use the income to spend on goods and services
- Individuals sell or rent resources (land, labor, capital, entrepreneurship) to businesses which use the income to produce goods and services which consumers buy

(6) Economics. The student understands the circular-flow model of the economy. The student is expected to:

(B) explain how government actions affect the circular-flow model.

Governments become a part of the model to correct market failures and provide public goods

(7) Economics. The student understands the interaction of supply, demand, and price. The student is expected to:

(A) identify the determinants that create changes in supply, demand, and price; and

- **Factors (determinants) of Supply** – Changes in supply: Resource cost, alternate goods that can be produced, technology, number of sellers, expected price, subsidies and taxation,
- **Factors (determinants) of Demand** – Changes in demand: consumer taste, consumer income, market size, consumer expectations, changes in the price in related goods, remove changes in weather
- **Factors (determinants) of Price** – changes in demand, changes in supply or a combination of both. Price changes affect the quantity demanded and the quantity supplied.

(7) Economics. The student understands the interaction of supply, demand, and price. The student is expected to:

(B) interpret a supply-and-demand graph using supply-and-demand schedules.

Law of Supply – states that there is a direct relationship existing between price and quantity supplied.

Law of Demand – states that there is an inverse relationship existing between price and quantity demanded

(8) Economics. The student understands the role of financial institutions in saving, investing, and borrowing. The student is expected to:

(A) explain the functions of financial institutions and how the role of financial institutions has changed over time; and

Holds deposits or savings

Redistributes holdings as loans or payments

FDIC

(8) Economics. The student understands the role of financial institutions in saving, investing, and borrowing. The student is expected to:

(B) analyze how financial institutions affect households and businesses.

Borrow money in a form of a loan

Set up household and businesses accounts for saving and demand deposits

(9) Economics. The student understands types of business ownership and types of market structures. The student is expected to:

(A) explain the characteristics of sole proprietorships, partnerships, and corporations;

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 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.

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).

(9) Economics. The student understands types of business ownership and types of market structures. The student is expected to:

(B) analyze the advantages and disadvantages of sole proprietorships, partnerships, and corporations; and

Types of Business Ownership

Advantages

Disadvantages

<p>Sole proprietorship</p>	<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 <ul style="list-style-type: none"> >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)
<p>Partnership</p>	<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 	<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</p>

	capabilities --greater survival odds Personal satisfaction	to break up the partnership
Corporation	To stockholders --limited liability (loss of amount invested) --clear profit (no work involved) To the corporation itself --separation of ownership and management --capital can be raised easily (stocks and bonds) --longevity—pool of owners and management constantly changes	Process of decision-making slow --increased chain of command --government regulations and restrictions Corporate profit taxation amounts to double taxation --corporate income taxed because the law treats a corporation as an individual --individual stockholder's profit (dividends) taxed as personal income

(9) Economics. The student understands types of business ownership and types of market structures. The student is expected to:

(C) describe characteristics and give examples of pure competition, monopolistic competition, oligopoly, and monopoly.

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)
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,	None (Price Takers)	Little (Price Takers-Searchers)	Some (Price Searchers-Makers/Setters)	Much (Price Makers/Setters)

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

(10) Economics. The student understands traditional, command, and market economic systems. The student is expected to:

(A) explain the characteristics and give examples of traditional, command, and market economic systems; and

In a traditional economy major economic questions are answered by ritual, habit and custom. Close examples include Pre-Columbian Indians or most aboriginal tribes.

In a command economy, the major economic questions are answered by a central authority, like the government. Close examples include the Cuba and North Korea.

In a market economy the major economic questions are answered by people and businesses acting in their own best interest to earn a profit. A close example includes Japan, Mexico and the U.S.

(10) Economics. The student understands traditional, command, and market economic systems. The student is expected to:

(B) compare the U.S. free enterprise system with other economic systems.

Comparison topics include: ownership of production factors, how the basic economic questions are answered, role(s) of government, economic planning, economic freedom, government system

(11) Economics. The student understands the basic concepts of consumer economics. The student is expected to:

(A) analyze the factors involved in the process of acquiring consumer goods and services including credit, interest, and insurance;

Credit is the receiving of funds directly or indirectly to buy goods and services with the promise to pay for them in the future. A lender will look at several factors to determine a person's credit rating. Factors that affect credit rating are capacity to pay, character, collateral, and credit history.

Interest is the amount the borrower must pay to use someone else's money. The interest rate a consumer is charged is based on his/her credit rating. Real vs. nominal interest rates

Insurance is a service that a consumer purchases that will compensate the consumer in case of a loss. Some forms of insurance are mandatory; other insurances are optional.

(11) Economics. The student understands the basic concepts of consumer economics. The student is expected to:

(B) compare different means by which savings can be invested and the risks and rewards each poses to the

consumer; and

The relationship between risk and return (reward) is an inverse relationship. The higher the investment risk, the greater the investment return.

Investment Options	Risk	Reward
regular savings	none	minimal
government bonds	minimal	low to small
mutual fund	low to moderate	moderate
common stock	moderate to high	moderate to high
junk bond	high	high

(11) Economics. The student understands the basic concepts of consumer economics. The student is expected to:

(C) analyze the economic impact of investing in the stock and bond markets.

A stock is a certificate of ownership in a corporation. Dividends of common stock are based on the profit of the firm.

A bond is a formal contract to repay borrowed money and interest on borrowed money at regular future intervals. Bond payments are paid before stock dividends are distributed

Initial offerings of stocks and bonds are two ways businesses raise financial capital.

Geography

(12) Geography. The student understands the geographic significance of the economic factors of production. The student is expected to:

(A) describe the effects of the unequal distribution of economic factors of production; and

Compare the standard of living of various developing and industrially advanced countries.

(12) Geography. The student understands the geographic significance of the economic factors of production. The student is expected to:

(B) analyze the locations of resources used in the production of an economic good and evaluate the significance of the locations.

Transportation of resources is a production cost.

Resource rich areas tend to have more economic growth.

(13) Geography. The student understands the reasons for international trade and its importance to the United States. The student is expected to:

(A) explain the concepts of absolute and comparative advantages;

Absolute Advantage – Ability of one country to produce a product at a lower absolute cost than another country.

Comparative Advantage – Ability of a country to produce a product at a lower opportunity cost than another

country

(13) Geography. The student understands the reasons for international trade and its importance to the United States. The student is expected to:

(B) apply the concept of comparative advantage to explain why and how countries trade;

Countries that operate with lower labor costs have a comparative advantage in the production of labor intensive products.

Note to teacher: Think about outsourcing of U.S. jobs

(13) Geography. The student understands the reasons for international trade and its importance to the United States. The student is expected to:

(C) analyze the impact of U.S. imports and exports on the United States and its trading partners; and

See current almanac or appropriate sites for latest data on major trade partners.

(13) Geography. The student understands the reasons for international trade and its importance to the United States. The student is expected to:

(D) analyze changes in exchange rates of world currencies and the effects on the balance of trade.

Rate of exchange is based on the amount of foreign currency in circulation.

If the American dollar appreciates against a foreign currency, the dollar gains purchasing power making foreign goods less expensive at home and American goods more expensive overseas. The number of imports would increase.

If the American dollar depreciates against a foreign currency, the dollar loses purchasing power making foreign goods more expensive at home and American goods less expensive overseas. The number of exports would increase.

(14) Geography. The student understands the issues of free trade and the effects of trade barriers. The student is expected to:

(A) compare the effects of free trade and trade barriers on economic activities; and

Free Trade – few restrictions between countries to trade: increased trade, new or different problems culturally, politically, or economically

Trade Barriers – Restrictions between countries to trade: tariffs, quotas, ports of entry, regulations, and relationships between countries

(14) Geography. The student understands the issues of free trade and the effects of trade barriers. The student is expected to:

(B) evaluate the benefits and costs of participation in international free-trade agreements.

Examples: North American Free Trade Agreement (NAFTA), European Union (EU), World Trade Organization (WTO)

Government

(15) Government. The student understands the role that the government plays in the U.S. free enterprise system. The student is expected to:

(A) describe the role of government in the U.S. free enterprise system; and

The government is involved in our economy to:

--Promote and encourage competition for the benefit of the society

--Regulate industries and markets in the best interest of the society and consumers

--Create an environment to maximize economic growth

(15) Government. The student understands the role that the government plays in the U.S. free enterprise system. The student is expected to:

(B) evaluate government rules and regulations in the U.S. free enterprise system.

- Bankruptcy laws
- Public disclosure laws
- Antitrust laws
- Product liability
- Eminent domain
- Zoning and variance laws

(16) Government. The student understands the goals of economic growth, stability, full employment, freedom, security, equity, and efficiency as they apply to U.S. economic policy. The student is expected to:

(A) describe the goals of U.S. economic policy; and

Economic growth – the production of more goods, better incomes. Growth is needed so that people can have more goods and services to increase their standard of living.

Stability – the government will strive for stable prices. It has policies to deal with inflation, high interest rates and recession.

Full employment – the government strives to provide jobs for those who desire one.

Economic freedom – people have the freedom to choose their own occupations and use their money as they choose. Businesses have the freedom to choose where, how and what they produce.

Security – protection from illness and layoffs. The government has set up funds (Social Security, unemployment compensation) for those who lose their jobs.

Equity – The government strives for equity for its citizens, therefore it is illegal to discriminate on the basis of age, religion, race, sex or disability for employment purposes. Laws have also been passed to protect consumers.

Efficiency – the careful use of scarce resources.

(16) Government. The student understands the goals of economic growth, stability, full employment, freedom, security, equity, and efficiency as they apply to U.S. economic policy. The student is expected to:

(B) analyze how economic growth, stability, and full employment are measured.

- GDP
- Price indices
- Employment and unemployment rates
- Other economic indicators

(17) Government. The student understands the economic impact of fiscal policy decisions at the local, state, and national levels. The student is expected to:

(A) identify types of taxes at the local, state, and national levels and the economic importance of each;

- Definition of tax
- Types of taxes: progressive, proportional, regressive
- Incidences of taxes: benefits received and ability to pay
- Tax characteristics: fairness, simplicity, and efficiency
- Examples of taxes: federal (individual income tax, FICA – SS and Medicare, corporate income taxes), state and local (sales, property, inheritance, excise, estate, and income taxes)
- Intergovernmental revenues (federal to state and local, state to local)

(17) Government. The student understands the economic impact of fiscal policy decisions at the local, state, and national levels. The student is expected to:

(B) analyze the categories of revenues and expenditures in the U.S. federal budget; and

- Sources of revenues
- Government expenditures
- Provisions for the public well-being through income redistribution

(17) Government. The student understands the economic impact of fiscal policy decisions at the local, state, and national levels. The student is expected to:

(C) analyze the impact of fiscal policy decisions on the economy.

Balanced, Surplus, and Deficit Budgets

Fiscal policy is the use of government spending and revenue collection to influence the economy.

Demand/Supply side approaches to fiscal policy.

An expansionary policy, used during a recession involves increasing government spending or decreasing taxes or a combination of the two.

A contractionary policy, used during inflation, involves decreasing government spending or increasing taxes or a combination of the two.

Issue of “crowding” effect upon investment and interest rates

(18) Government. The student understands the role of the Federal Reserve System in establishing monetary policy. The student is expected to:

(A) explain the structure of the Federal Reserve System; and

The Fed was created in 1913 and powers expanded since the 1930s.

It consists of a Board of Governors made up of seven presidential appointments that serve 14 staggered year terms. One of the seven is chosen as Chairman by the President for unlimited 4 years terms.

The U.S. is divided into 12 districts.

Each district is semi-autonomous having regional interests and focal points.

Primary objective is to manage the economy by controlling the money supply.

Tools of the Fed include: open market operations, discount rate, reserve requirement.

(18) Government. The student understands the role of the Federal Reserve System in establishing monetary policy. The student is expected to:

(B) analyze the three basic tools used to implement U.S. monetary policy.

The major role of the Fed is to control the money supply and thereby influencing the economy. Among its tools to help it implement a tight money (contractionary) policy or an easy money (expansionary) policy are:

- Open Market Transactions (Operations) – the buying and selling of securities to banks and individuals to affect the money supply. The selling of securities contracts the money supply and vice versa. This is the most often used tool of the Fed.
- Discount rate (DR) – this is the interest rate the Fed charges as “lender of last resort” to banks when they borrow money. The DR influences the federal funds rate (FFR), the interest rate banks charge other banks when lending. The FFR influences the commercial rates, the interest rates banks charge individuals and businesses when lending. Raising the discount rate will contract the money supply by affecting loanable funds and vice versa.
- Reserve requirement – the amount banks are required to keep on reserve is changed according to what policy the Fed is pursuing. If the reserve requirement is raised more money must be kept in reserves and less is available to be loaned out and vice versa. This is the least used tool of the Fed.

History

(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:

(A) analyze the importance of various economic philosophers such as John Maynard Keynes, Karl Marx, and Adam Smith and their impact on the U.S. free enterprise system;

Maynard Keynes – originated the school of economic thought called Keynesian economics which supports the use of government spending and taxing to stimulate or constrict the economy; considered that the market structures and fluctuations might become too severe to be left to natural resolutions.

Karl Marx – viewed history as a continual struggle between capitalist-owners of land, machines, and

factories-and the proletariat, or workers with the capitalist exploiting the proletariat. The value of goods depends only on how much labor is used in producing them. His ideas of the progression of capitalism toward pure communism were used to establish a modified usage of socialism.

Adam Smith – authored *An Inquiry into the Nature and Causes of the Wealth of Nations*, in which he describes a system (pure capitalism) where government has little to do with a nation’s economic activity (“laissez faire”). Individuals on their own would be guided by their self-interest and the market would be guided by an “invisible hand,” which in turn would benefit all society. He is considered the father of modern economic study.

(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:

(B) trace the history of the labor movement in the United States;

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

1980s onward - The declining of unionism

(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:

(C) analyze the impact of business cycles on U.S. history; and

Business Cycle (Business Fluctuations) – Irregular changes in the level of total output measured by real GDP.

The typical phases include: peak, contraction, trough, and expansion.

Fluctuation descriptors – boom, recession, depression, and recovery

- The Great Depression
- Recession of the 1970s
- Expansion of the 1990s

(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:

(D) identify the contributions of entrepreneurs, past and present, such as Mary Kay Ash, Andrew Carnegie, and Bill Gates.

(20) History. The student understands economic concepts embodied in historical documents including the U.S. Constitution. The student is expected to:

(A) identify economic concepts in the U.S. Constitution including property rights and taxation; and

Property rights – Rights given to citizens to protect themselves from the government and other citizens

Tax – government revenue collected from production and income sources

Taxation – Used by the government to pay for government services. Definition of Taxation

(20) History. The student understands economic concepts embodied in historical documents including the U.S. Constitution. The student is expected to:

(B) analyze the impact of economic concepts in the U.S. Constitution on contemporary issues and policies.

Federal bail-outs of failed/failing businesses

Antitrust legislation and regulatory agencies

Tax levies, abatements, and breaks

Culture

(21) Culture. The student understands how societal values affect a nation's economy. The student is expected to:

(A) analyze the societal values that determine how a country answers the basic economic questions; and

Basic questions: What goods and services will be produced? How will they be produced? For whom will they be produced?

Societal values: education; traditions, attitudes, and beliefs; religion; politics

(21) Culture. The student understands how societal values affect a nation's economy. The student is expected to:

(B) describe the societal values that influence traditional, command, and market economies.

Societal values: education; traditions, attitudes, and beliefs; religion; politics

Answer the basic questions faced by every economic system: What goods and services will be produced? How will they be produced? For whom will they be produced?

Command – the government, or an agency appointed by the government, answers the three basic economic questions based on the needs of the government.

Market – the answers to the questions are based on the interaction of demand and supply, driven by self-interest, with minimal government interference.

Traditional – ritual, habit or custom dictate how the three basic economic questions are answered.

(22) Culture. The student understands the impact of a nation's culture on its level of economic development. The student is expected to:

(A) describe the level of economic development of selected nations; and

Stages of economic development: dynamic, static, declining

International classifications of economic development: developing countries (DC) and industrially advanced countries (IAC)

(22) Culture. The student understands the impact of a nation's culture on its level of economic development. The student is expected to:

(B) analyze how societal values affect the economic development of nations.

- Tax
- Regulate Commerce
- Regulate foreign trade

Social Studies Skills

(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:

(A) analyze information by sequencing, categorizing, identifying cause-and-effect relationships, comparing, contrasting, finding the main idea, summarizing, making generalizations and predictions, and drawing inferences and conclusions;

(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:

(B) create economic models such as production-possibilities curves, circular-flow charts, and supply-and-demand graphs to analyze economic data;

- Production possibilities curve
- Circular-flow charts
- Supply-and-demand graphs

(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:

(C) create a product on a contemporary economic issue or topic using critical methods of inquiry;

Some suggestions:

- Outsourcing
- Unemployment
- Inflation
- International trade
- Taxation

(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:

(D) explain a point of view on an economic issue;

Some suggestions:

- Outsourcing

- Unemployment
- Inflation
- International trade
- Taxation

(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:

(E) analyze and evaluate the validity of information from primary and secondary sources for bias, propaganda, point of view, and frame of reference;

Some suggestions:

- Use print and television advertisements in class

(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:

(F) evaluate economic-activity patterns using charts, tables, graphs, and maps; and

Some suggestions:

- Charts & tables – supply and demand, comparative advantage, reading stock reports
- Graphs – PPC, supply and demand
- Maps – international trade

(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:

(G) use appropriate mathematical skills to interpret social studies information.

Use math skills for:

- supply and demand, comparative advantage, reading stock reports, PPC, supply and demand, international trade, money and banking

(24) Social studies skills. The student communicates in written, oral, and visual forms. The student is expected to:

(A) use social studies terminology correctly;

- when labeling graphs
- also, see assurance words

(24) Social studies skills. The student communicates in written, oral, and visual forms. The student is

expected to:

(B) use standard grammar, spelling, sentence structure, and punctuation;

(24) Social studies skills. The student communicates in written, oral, and visual forms. The student is expected to:

(C) transfer information from one medium to another including written to visual and statistical to written or visual using computer software as appropriate; and

Some suggestions:

- use computer lab to investigate stock market (game),
- and to research economic data

(24) Social studies skills. The student communicates in written, oral, and visual forms. The student is expected to:

(D) create written, oral, and visual presentations of social studies information.

Some suggestions (2 to 4 times a semester):

- projects including small business proposals, stock market projects, essays, power point presentations

(25) Social studies skills. The student uses problem-solving and decision-making skills, working independently and with others, in a variety of settings. The student is expected to:

(A) use a problem-solving process to identify a problem, gather information, list and consider options, consider advantages and disadvantages, choose and implement a solution, and evaluate the effectiveness of the solution; and

Some suggestions:

- stating a small business project, stock market game

(25) Social studies skills. The student uses problem-solving and decision-making skills, working independently and with others, in a variety of settings. The student is expected to:

(B) use a decision-making process to identify a situation that requires a decision, gather information, identify options, predict consequences, and take action to implement a decision.

Some suggestions:

- stating a small business project, stock market game

Science, Technology, and Society

(26) Science, technology, and society. The student understands the effects of science and technology on an

economy. The student is expected to:

(A) analyze the effect of technology on productivity;

Assembly lines – Productivity

Automation - Workforce

Computers and Internet – Global Market

(26) Science, technology, and society. The student understands the effects of science and technology on an economy. The student is expected to:

(B) analyze the economic effects of the development of communication and transportation systems in the United States;

Internet has made most remote areas accessible.

Shipping service (UPS, Fed Ex) deliver faster than USPS

(26) Science, technology, and society. The student understands the effects of science and technology on an economy. The student is expected to:

(C) analyze the economic impact of obsolescence created by technological innovations; and

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)

(26) Science, technology, and society. The student understands the effects of science and technology on an economy. The student is expected to:

(D) analyze how technological innovations change the way goods are manufactured, marketed, and distributed.

Manufactured – Assembly lines have mad productivity faster

Marketed – Media and computer advertisement has made the market more global and created new markets

Distribution – Aviation, automobiles and better tracking systems has made distribution faster and more efficient

(27) Science, technology, and society. The student understands the economic effects of scientific discoveries and technological innovations on households, businesses, and government. The student is expected to:

(A) give examples of types of economic information available as a result of technological innovations; and

Computer trading of stocks and bonds

Online banking, loans and purchasing

Consumer comparison shopping online

(27) Science, technology, and society. The student understands the economic effects of scientific discoveries and technological innovations on households, businesses, and government. The student is expected to:

(B) explain how scientific discoveries and technological innovations create the need for rules and regulations to protect individuals and businesses.

With the Internet has come the need for rules for protecting privacy and intellectual property

Bootlegging of media products

Knockoffs and fake products

Personal Financial Literacy

A.) understanding interest, avoiding and eliminating credit card debt

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B.) understanding the rights and responsibilities of renting or buying a home

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C.) managing money to make the transition from renting a home to home ownership

-

D.) starting a small business

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E.) being a prudent investor in the stock market and using other investment options

- Compare the 3 different markets (NYSE, NASDAQ, AMEX)
- Explain types of stocks
- Read stock quotes from current newspaper
- Explain savings accounts and bonds

F.) beginning a savings program and planning for retirement

- IRA's (Roth, 403B, 401K)

G.) bankruptcy

- Definition
- Different types of bankruptcy
- Discuss consequences and benefits of bankruptcy

H.) the types of bank accounts available to consumers and the benefits of maintaining a bank account

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I.) balancing a check book

-

J.) the types of loans available to consumers and becoming a low-risk borrower

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K.) understanding insurance

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L.) charitable giving

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