

# Economic\$ Curriculum Map

Standard	Key Concepts	Key Vocabulary
<p>Standard 1: The student will develop &amp; apply <b>economic reasoning</b> &amp; decision-making skills.</p>	<p>1. Define &amp; apply <i>basic economic concepts</i> of <b>scarcity, surplus, choice, opportunity cost, cost/benefit analysis, risk/reward relationship, incentive, disincentive, &amp; trade-off</b> to a variety of economic situations.</p> <p>2. Determine appropriate <i>courses of economic actions</i> using a variety of <i>economic reasoning &amp; decision-making models</i> including the <b>PACED Decision-Making Model</b> by using the five step process of</p> <p>P=Stating the problem,  A=Listing the alternatives,  C= Identifying the Criteria.  E= Evaluating the options, based on the criteria, and  D= Making a decision.</p>	<p><i>choice cost/benefit analysis discount rate disincentive economic reasoning incentive opportunity cost risk/reward relationship surplus trade-off</i></p>
<p>Standard 2: The student will evaluate how societies answer the <i>three basic economic questions: what goods to produce, how to produce them, &amp; for whom are they produced.</i></p>	<p>1. Compare the <i>world's basic economic systems of market (free enterprise), command, &amp; mixed market economies</i> identifying <i>countries that have adopted each</i> and comparing &amp; contrasting the results <i>those economic systems have produced</i> in those countries as measured by the <b>GDP, national prosperity, individual income, &amp; wealth.</b></p> <p>2. Describe the role of the <b>factors of production, land, labor, capital, entrepreneurship, &amp; technology</b> in economic systems.</p>	<p><i>command economy capital capitalism economic system entrepreneur factors of production free enterprise labor land produce profit socialism</i></p>

<p>Standard 3: The student will explain <i>how prices are set</i> in a market economy using <i>supply &amp; demand</i> graphs &amp; will determine how price provides incentives to buyers &amp; sellers.</p>	<ol style="list-style-type: none"> <li>1. Analyze how <i>price and non-price factors</i> affect <i>demand &amp; supply of goods &amp; services</i> available in the marketplace.</li> <li>2. Explain what causes <i>shortages &amp; surpluses</i> including <i>government imposed price floors, price ceilings</i>, &amp; other <i>government regulations &amp; the impact they have on prices &amp; people's decisions to buy or sell</i>.</li> </ol>	<p><i>aggregate supply</i> <i>aggregate demand</i> <i>buyer deficit</i> <i>price ceilings</i> <i>price floors</i> <i>services</i> <i>shortages</i></p>
<p>Standard 4: The student will evaluate how changes in the <i>level of competition in different markets</i> affect prices.</p>	<ol style="list-style-type: none"> <li>1. Explain how <i>competition impacts the free market</i> including the concepts that <i>competition among sellers lowers costs &amp; prices while encouraging increased production &amp; competition among buyers increases prices &amp; the allocation of goods &amp; services to consumers</i> willing &amp; able to pay higher prices.</li> <li>2. Explain how people's own <i>self-interest, incentives, &amp; disincentives influence market decisions</i>.</li> </ol>	<p><i>allocation</i> <i>competition</i> <i>self-interest</i> <i>seller</i></p>
<p>Standard 5: The student will describe the <i>role of economic institutions including banks, labor unions, corporations, governments, &amp; not-for-profits in a market economy</i>.</p>	<ol style="list-style-type: none"> <li>1. Evaluate the <i>impact of government</i> ensuring the <i>protection of private property rights</i> &amp; the <i>rule of law</i> in a market economy.</li> <li>2. Describe how <i>banks match savers with borrowers</i> &amp; allow people to <i>pool their incomes</i> &amp; <i>provide future income through investing in stocks</i>.</li> <li>3. Identify how <i>labor unions, corporations, and not-for-profits</i> influence a market economy.</li> </ol>	<p><i>borrower</i> <i>corporation</i> <i>economic institutions</i> <i>interest</i> <i>labor unions</i> <i>loan</i> <i>not-for-profit</i> <i>private property</i> <i>save</i> <i>stock market</i></p>
<p>Standard 6: The student will analyze how <i>money makes it easier to trade, borrow, save, invest, &amp; compare the value of goods &amp; services</i>.</p>	<ol style="list-style-type: none"> <li>1. Explain how <i>individuals, businesses</i> &amp; the <i>overall economy</i> benefit from <i>using &amp; saving money</i>.</li> <li>2. Identify the <i>components of the money supply</i>, the different <i>functions of money</i>, &amp; <i>give examples</i> of each.</li> <li>3. Explain how the value of money is determined by the goods &amp; services it can buy.</li> </ol>	<p><i>currency</i> <i>invest</i> <i>money supply</i></p>

<p>Standard 7: The student will evaluate <i>how interest rates impact decisions</i> in the market economy.</p>	<ol style="list-style-type: none"> <li>1. Analyze the <i>relationship between interest rates &amp; inflation rates</i>.</li> <li>2. Determine how changes in <i>real interest rates</i> impact people's decisions to borrow money and purchase goods in a market economy.</li> </ol>	<p><i>interest rates</i></p>
<p>Standard 8: The student will analyze the <i>role of entrepreneurs</i> in a market economy.</p>	<ol style="list-style-type: none"> <li>1. Analyze the <i>potential risks &amp; potential gains</i> of entrepreneurs opening new businesses or inventing a new product, &amp; determine the <i>financial &amp; nonfinancial incentives</i> that motivate them.</li> <li>2. <i>Identify an entrepreneur</i> &amp; describe how his/her decisions affect <i>job opportunities for others</i>.</li> </ol>	<p><i>business cycle risks</i></p>
<p>Standard 9: The student will evaluate the <i>economic role of government</i> in a market economy.</p>	<ol style="list-style-type: none"> <li>1. Explain the <i>role that government</i> has in dealing with issues such as <i>poverty, pollution, &amp; medical research</i>.</li> <li>2. Describe the <i>costs &amp; benefits of government assistance programs, education, &amp; other government funded services &amp; projects</i>.</li> </ol>	<p><i>poverty standard of living socioeconomic</i></p>
<p>Standard 10: The student will examine <i>current economic conditions in the US</i>.</p>	<ol style="list-style-type: none"> <li>1. Determine how <i>interest rates, unemployment, Consumer Price Index (CPI), individual savings &amp; debt, government debt, labor supply, &amp; inflation</i> impact current economic conditions in the United States.</li> <li>2. Explain how these conditions have an <i>impact on consumers, producers, &amp; government policymakers</i>.</li> </ol>	<p><i>Consumer Price Index</i></p>
<p>Standard 11: The student will identify <i>Gross Domestic Product (GDP) &amp; Gross national Product (GNP)</i> as basic measures of a nation's economic output &amp; income.</p>	<ol style="list-style-type: none"> <li>1. Explain <i>GDP &amp; GNP</i> and how they are used to describe <i>economic output</i> over time &amp; compare the <i>GDP of various countries</i> representing <i>free-market, command, &amp; mixed economies</i>.</li> <li>2. Describe the <i>impact on the economy when GDP &amp; GNP are growing or declining</i>.</li> </ol>	<p><i>Gross Domestic Product Gross National Product</i></p>
<p>Standard 12: The student will explain the role of <i>inflation &amp; unemployment</i> in an economic system.</p>	<ol style="list-style-type: none"> <li>1. Define <i>inflation</i> &amp; determine <i>how it is measured</i> &amp; the <i>impact it has on different sectors of the US economy</i>.</li> <li>2. Define the <i>different types of unemployment</i> &amp; determine <i>how it is measured</i> &amp; the <i>impact it has on different sectors</i> of the US economy.</li> </ol>	<p><i>inflation unemployment</i></p>

<p>Standard 13: The student will identify the potential <i>economic impact</i> of policy changes by <i>the Federal Reserve &amp; the federal government</i>.</p>	<ol style="list-style-type: none"><li>1. Compare &amp; contrast <i>fiscal &amp; monetary policy</i> &amp; their <i>impact on the economy</i>.</li><li>2. Evaluate the <i>condition under which the federal government</i> &amp; the <i>Federal Reserve</i> implement <i>expansionary or contractionary policies</i>.</li></ol>	<p><i>deregulation</i> <i>Federal Reserve</i> <i>fiscal policy</i> <i>national debt</i></p>
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