

## **SOCIAL STUDIES**

### Essential Discipline Goals

Demonstrate a working knowledge of basic economic vocabulary and concepts  
Identify and compare and contrast different economic systems  
Recognize economic issues and analyze them in terms of economics concepts  
Practice decision-making skills in economic operations

## **ECONOMICS**

Elective — Grades 11 and 12

### **SS.ECON.10 — What is Economics?**

The study of economics is the social science that deals with the allocation of scarce resources, including production, consumption, and distribution of goods and services. This is a fundamental question that all societies must analyze and confront.

SS.ECON.10.01 Define economics

SS.ECON.10.01.a Define the following economic terms: scarcity, opportunity costs, trade-offs, factors of production, three basic questions of economics

SS.ECON.10.02 Differentiate between command and market systems

SS.ECON.10.02.a Compare and contrast command, market, and traditional economies

SS.ECON.10.02.b Describe the concept of economic interdependence

SS.ECON.10.02.c Define differences between microeconomics and macroeconomics

### **SS.ECON.20 — Markets, Supply, and Demand**

An important function of economics is to analyze the role of markets in economic decision-making. This includes an interaction of supply and demand to establish equilibrium prices. In addition, economics studies the responses of consumers and producers to market forces.

SS.ECON.20.01 Analyze the relationship among supply, demand, and price and market

SS.ECON.20.01.a Define the following economic terms: markets, prices, supply and demand, price ceilings, and price floors, market mechanism

SS.ECON.20.01.b Analyze and interpret data utilizing supply and demand curves

SS.ECON.20.01.c Describe the concepts of elasticity and utility

### **SS.ECON.30 — Business Forms**

The history of business in America has evolved from single proprietors to corporations. The task of business is to respond to consumer demand by efficiently using resources and organizing production.

SS.ECON.30.01 Describe the role of business in the economy

SS.ECON.30.01.a Allocation of resources, such as minimizing waste, organizing production, responding to consumer demand, price stability, full employment, and economic justice and freedom.

SS.ECON.30.02 Identify and compare forms of business ownership

SS.ECON.30.02.a Identify single proprietorship, corporation, and partnership

## **SS.ECON.40 — Market Structure**

Market factors cause businesses to respond to consumer demand in a number of ways. These ways may include a range of possibilities from pure competition (free enterprise) to monopoly. Economists study how these structures impact supply and demand, price stability, and efficient use of resources.

SS.ECON.40.01 Define market structure

SS.ECON.40.02 Compare market structures in terms of degree of competition

SS.ECON.40.02.a Identify the following economic terms: pure competition, oligopoly, monopoly, and monopolistic competition.

SS.ECON.40.02.b Identify techniques used to acquire market structure, such as research and development, advertising, and product differentiation

SS.ECON.40.02.c Evaluate cost benefits and consequences of monopolistic practices, and pure competition.

## **SS.ECON.50 — Labor**

Labor is the factor of production that deals with workers. It includes how wages are established, and what determines these payments. Other key issues with labor are the various forms of unemployment, and the influence of unions.

SS.ECON.50.01 Explain the concept of derived demand as it relates to employment in the labor force.

SS.ECON.50.02 Identify the determinants of wages in the labor market.

SS.ECON.50.02.a Review labor unions as a response/consequence of market structures.

SS.ECON.50.03 Define various forms of unemployment examples such as structured, hidden, seasonal, seasonally adjusted.

## **SS.ECON.60 — Role of Government in the Economy (Fiscal Policy)**

Fiscal policy examines how the federal government uses its power to tax and spend to regulate the level of national income and employment. Using these powers, the government can have an impact on total aggregate demand. Furthermore, taxation and spending can influence the economy in times of inflation (prosperity) and recession.

SS.ECON.60.01 Explain the economic goals of the U.S. and identify the ways in which economic performance is measured.

SS.ECON.60.01.a Analyze ways in which the U.S. formulates economic goals

SS.ECON.60.02 Describe the role of fiscal policy in a market economy.

SS.ECON.60.02.a Cite examples of government intervention into the economy to correct market failures

SS.ECON.60.02.b Interpret expenditures and resource allocation, using budget data.

SS.ECON.60.02.c Review taxation and Social Security, deficit, and debt.

SS.ECON.60.03 Analyze the role of government in the circular flow of economic activity.

SS.ECON.60.013a Evaluate the impact of government intervention in the circular flow of economic activity.

## **SS.ECON.70 — Money and Banking (Monetary Policy)**

Monetary policy is the function of the Federal Reserve. Established in 1913, the FED controls the nation's money supply by using instruments such as the Federal funds rate, the Reserve Ratio, and buying and selling government bonds (open market operations). In recent years, the FED's role in the economy has evolved into fighting inflation in times of prosperity and stimulating the money supply in times of recession.

SS.ECON.70.01 Describe the functions of money and the banking system in the U.S. economy.

SS.ECON.70.01.a Describe the Federal Reserve System and how it influences the money supply.

SS.ECON.70.01.b Define Federal Funds Rate, reserve ratio, open market operations.

SS.ECON.70.02 Analyze monetary tools to facilitate full employment, price stability, and economic growth

## **SS.ECON.80 — Globalization and International Trade**

International trade and globalization refers to the flows and resources, information, labor, capital, and goods and services across international boundaries. Economists study world trade and its increasing impact on our global economy.

SS.ECON.80.01 Explain why nations trade

SS.ECON.80.01.a Identify comparative advantage and absolute advantage.

SS.ECON.80.02 Analyze the reasons why nations enact trade barriers.

SS.ECON.80.02.a Describe tariffs, quotas, subsidies, analyze the reasons nations enact such barriers.

SS.ECON.80.03 Define the balance of payments and the balance of trade.

SS.ECON.80.04 Analyze how and why exchange rates fluctuate.

SS.ECON.80.05 Identify international influences on a nation's economic growth and development.

SS.ECON.80.05.a Identify the significance of foreign investment, world resource markets, and immigrant labor.

## **SS.ECON.90 — Investment (Optional)**

Part of America's economy is influenced by the stock and bond markets. Because investment is a part of the lives of most Americans through retirement plans and other wealth building strategies, an understanding of the financial markets is important.

SS.ECON.90.01 Analyze different types of investment.

SS.ECON.90.01.a Explain the differences between stocks, bonds, mutual funds and other investment vehicles.

SS.ECON.90.02 Explain how the financial markets operate.

SS.ECON.90.02.a Review the stock and bond markets. Examples: NYSE, and NASDAQ.

SS.ECON.90.02.b Uses of consumer credit.