

**SANTA ROSA CITY SCHOOLS
CONTENT AND PERFORMANCE STANDARDS
ECONOMICS**

Economic Terms, Concepts and Economic Reasoning:

CONCEPTS ADDRESSED: Economic choices, factors of production, capital, capital resources, entrepreneur, goods, labor/human resources, land and natural resources, opportunity costs, services, economic systems

Enduring Understanding	EXAMPLES/ILLUSTRATIONS
<p>12.1 The student will recognize and understand common economic terms, concepts and economic reasoning.</p> <p>12.1.1 The student will identify and discuss the causal relationship between scarcity and the need for choice in economic systems.</p> <p>12.1.3 The student will identify the basic principles of capitalism.</p>	<p>Students may demonstrate these performance standards by:</p> <ul style="list-style-type: none"> ▪ Taking a comprehensive test complete with objective and subjective questions. ▪ Viewing a videotape, <i>The Lorax</i>, and writing an essay identifying and discussing the economic concepts illustrated in the video. ▪ Applying Smith's concept of self-interest and the invisible hand to the global economy.
Important to Know and Do	
<p>12.1.2 The student will describe and discuss opportunity costs and marginal analysis.</p> <p>12.1.5 The student will define the role of a market economy in establishing and preserving political and personal liberty according to the works of Adam Smith.</p>	
Worth Being Familiar With	
<p>12.1.4 The student will define the role of private property as an incentive in conservation of resources including renewable and non-renewable natural resources.</p>	

United States Economy in a Global Setting:

CONCEPTS ADDRESSED: Profit, supply, surplus, equilibrium, competition, consumption, demands:

Enduring Understanding	EXAMPLES/ILLUSTRATIONS
<p>12.2 The student will recognize and analyze the elements of the United States market economy in a global setting.</p> <p>12.2.1 The student will identify the relationship of incentives to the laws of supply and demand and the effect of changes in supply and/or demand on the relative scarcity, price and quantity of particular products including</p> <ul style="list-style-type: none"> ▪ constructing supply and demand schedules; ▪ drawing and interpreting supply and demand curves with price floors and ceilings. 	<p>Students may demonstrate these performance standards by:</p> <ul style="list-style-type: none"> ▪ Preparing a chart drawn from on-line sources or print media of twenty countries that have economies that exemplify one of the four economic systems.
Important to Know and Do	<ul style="list-style-type: none"> ▪ Preparing pro and con arguments and engaging in a debate discussing the value of rent control laws and the minimum wage in the local community.
<p>12.2.2 The student will identify the role of property rights, competition and profit in a market economy including:</p> <ul style="list-style-type: none"> ▪ how prices reflect the relative scarcity of goods and services and perform the allocative function in a market economy. ▪ the process by which competition among buyers and sellers determines a market clearing price; ▪ the effect of price controls on buyers and sellers; ▪ the role of domestic and international competition in a market economy in terms of goods and services produced and the quality, quantity, and price of those goods; ▪ the role of profit as the incentive to the capitalist in the market economy; ▪ the function of the financial markets. <p>12.2.3 The student will analyze the basic choices that must be made in tradition-based, command, mixed, and market economic systems.</p>	<ul style="list-style-type: none"> ▪ Using advertisements in local newspapers, creating a poster illustrating supply and demand schedules and curves.
Worth Being Familiar With	

The Influence of the Government on the Economy:

CONCEPTS ADDRESSED: Macroeconomics, business cycle, fiscal policy, monetary policy, taxes, types of unemployment, aggregate supply and demand, gross product, consumer price index, GDP deflator, national debt, federal budget deficit and surplus:

Enduring Understanding	EXAMPLES/ILLUSTRATIONS
<p>12.3 The student will analyze the influence of the United States government on the American Economy.</p> <p>12.3.1 The student will analyze the role of the government in a market economy and how that role influences the business cycle.</p> <p>12.3.4 The student will identify the aims and tools of monetary policy and their influence on economic activity (e.g., the Federal Reserve.)</p>	<p>Students may demonstrate these performance standards by:</p> <ul style="list-style-type: none"> ▪ Solving problem sets using price indexes to deflate nominal numbers relating to G.D.P. ▪ Solving problem sets using current data to calculate the percentage rate of change in G.D.P., inflation and unemployment. ▪ Using the business cycle model, indicating where in the cycle Keynesian economists believe the government should intervene in the nation's economy. ▪ Preparing a chart, graph, table, or written report based on news media coverage to show how the Federal Reserves action effects business decisions, business cycles, the price of housing loans and the cost of credit card purchases. ▪ Constructing Aggregate Supply and Aggregate Demand graphs illustrating and predicting the impact of fiscal policy decisions as well as monetary policy decisions.
<p style="text-align: center;">Important to Know and Do</p>	
<p>12.3.2 The student will identify how fiscal and monetary policy decisions influence the business cycle in the local community.</p> <p>12.3.3 The student will discuss the aims of government fiscal policies (taxation, borrowing, spending, etc.) and their influence on production, employment and price levels.</p>	
<p style="text-align: center;">Worth Being Familiar With</p>	

United States Labor Market in a Global Setting:

CONCEPTS ADDRESSED: Specialization, income distribution, labor unions, incentives, income distributions, standard of living, wages:

Enduring Understandings	EXAMPLES/ILLUSTRATIONS
	Students may demonstrate these performance standards by:
<p style="text-align: center;">Important to Know and Do</p>	<ul style="list-style-type: none"> ▪ Interviewing a local labor union business agent and/or personnel director for a unionized company and making a list of the costs and benefits of union membership.
<p>12.4 The student will analyze the element of the United States labor market in a global setting including the operation of the labor market, the establishment of principal American labor unions and the effects of unionization.</p> <p>12.4.1 The student will identify the elements of the labor market including the definition of the following terms: labor force, wage, closed shop, union shop, capital intensive, labor intensive, affirmative action, quotas, strike, mediation, arbitration.</p> <p>12.4.2 The student will analyze the current economy and labor market and list ways in which the labor force in the United States has changed since 1700.</p> <p>12.4.3 The student will list and discuss the ways the government insures fair labor treatment for workers.</p> <p>12.4.4 The student will identify reasons for declining union membership and the response of union leadership.</p>	<ul style="list-style-type: none"> ▪ Using the Internet/career center to conduct a job search and making a table illustrating the pay scales and salary schedules for a spectrum of employment opportunities. ▪ Using the media to find examples of wage scales in developing nations and comparing them to U.S. workers. ▪ Drawing a diagram illustrating capital investments of a transnational corporation.
<p style="text-align: center;">Worth Being Familiar With</p>	

Aggregate Economic Behavior:

CONCEPTS ADDRESSED: Nominal and real data, economic growth, productivity, multiplier effect, Phillips curve, natural rate of unemployment, short term/long term interest rates, cost push and demand, pull inflation, supply stocks

Enduring Understanding	EXAMPLES/ILLUSTRATIONS
<p>12.5 The student will analyze the aggregate economic behavior of the United States Economy.</p>	<p>Students may demonstrate these performance standards by:</p> <ul style="list-style-type: none"> ▪ Completing worksheets and solving problem sets using data tables found on-line at the Bureau of Labor Statistics. ▪ Drawing a time line illustrating the changes in the rate of inflation during the students lifetime and how the Federal Reserve has responded with changes in the short term interest rates. ▪ Creating a table illustrating the changes in the distribution of wealth by quintile among households in the U.S. between the years 1950 and 2000.
<p>Important to Know and Do</p>	
<p>12.5.1 The student will distinguish between nominal and real data by solving problem sets using formula and calculate real rates of growth, rates of unemployment and inflation and explain how these relate to the current American economy.</p> <p>12.5.2 The student will analyze inflation rates over the prior thirty years and relate those ideas to economic growth and productivity.</p> <p>12.5.3 The student will distinguish between short-term and long-term interest rates and explain the significance of each.</p>	
<p>Worth Being Familiar With</p>	

Issues of International Trade:

CONCEPTS ADDRESSED: Comparative advantage, absolute advantage, exchange rates, imports, exports, balance of payments, international trade, free trade, protectionism, trade restrictions/ trade barriers, cartel, multinational corporations:

Enduring Understanding	EXAMPLES/ILLUSTRATIONS
<p>12.6 The student will analyze issues of international trade and how the economy of a country affects and is affected by economic forces beyond the natural geographical borders.</p>	<p>Students may demonstrate these performance standards by:</p> <ul style="list-style-type: none"> ▪ Debating the benefits and costs of trade surpluses and trade deficits. ▪ Drawing a graph showing the size of foreign investments in the United

Important to Know and Do	<p>States.</p> <ul style="list-style-type: none"> ▪ Measuring the merchandise trade deficits/surpluses of the United States with its five largest trading partners. ▪ Researching the daily quotations on foreign exchange rates and convert the costs of ten items between U.S. currency, the Japanese Yen and the Eurodollar. ▪ Debating protectionism vs. free trade.
12.6.3 The student will discuss the changing role of international political borders and territorial sovereignty in a global economy.	
12.6.4 The student will explain foreign exchange, how exchange rates are determined and the effects of the dollar gaining or losing value relative to other currencies.	
Worth Being Familiar With	
12.6.1 The student will identify the gains in consumption and production efficiency from trade with an emphasis on the main products and changing geographic patterns to twentieth century trade among countries.	
12.6.2 The student will list the reasons for the effect of trade restrictions in the Great Depression compared with the present day argument among labor, business, and political leaders over the effects of free trade on the economic and social interest of various groups of Americans.	

Economics Skills Emphasis:

Enduring Understanding	Teacher Notes
⇒ Content Reading ⇒ Research skills including the Internet	
Important to Know and Do	
⇒ Multi-paragraph essay ⇒ Note taking ⇒ Public speaking ⇒ Test taking	
Worth Being Familiar With	
⇒ Timed essays ⇒ Outlining	