Introduction to Economics

Johnson-Brock Public Schools

Syllabus 2016

Students will participate in various activities in conjunction with the instruction of this class.

* Interactive Notebook
* Stock Market Game

**Unit 1: Key Elements to Economics**

Unit Overview: Economics is the study of decision making. This unit addresses the economic problem of scarcity: how to make the best use of limited resources to satisfy your wants and needs.

Students learn to recognize and evaluate opportunity cost when making decisions.

Students will utilize the economic way of thinking to make informed decisions and understand possible consequences. Investigating the incentives that motivate people is an essential part of analyzing economic decision making.

Students will be introduced to various economic systems (market, traditional, command) and how markets are impacted by supply and demand.

Inquiry Question: Which economic system best helps a society deal with the fundamental problem scarcity?

**Learning Targets**:

Knowledge (K) Students will individually and with others:

1 - Describe the characteristics of economic systems.

*Standard SS 12.2.1: Students will assess how market forces guide the owners of land, labor, and capital and determine the allocation of wealth in the economy. (\*Indicators 12.2.1 a)*

*Standard SS 12.2.10: Students will analyze the roles and responsibilities of government in various economic systems. (\*Indicators 12.2.10.d)*

*Standard SS 12.2.5: Students will recognize and predict the impact that various economic systems will have on people. (\*Indicators 12.2.5 a,*

2 - Demonstrate understanding of basic economic concepts (scarcity, opportunity cost, choice, incentives, supply and demand, and economic resources).

*Standard SS 12.2.2: Students will illustrate how markets determine prices and allocate goods and services. (\*Indicators 12.2.2 a,b,c)*

*Standard SS 12.2.6: Students will understand economic concepts that support rational decision making. (\*Indicators 12.2.6 b, c)*

Reasoning (R) Students will individually and with others:

1 - Examine what their role is in a market economy.

*Standard SS 12.2.1: Students will assess how market forces guide the owners of land, labor, and capital and determine the allocation of wealth in the economy. (\*Indicators 12.2.1 b, d)*

2 - Identify their roles as consumers and producers then hypothesize how each role may impact creating solutions for economic issues.

*Standard SS 12.2.2: Students will illustrate how markets determine prices and allocate goods and services. (\*Indicators 12.2.2 d and e)*

*Standard SS 12.2.5: Students will recognize and predict the impact that various economic systems will have on people. (\*Indicators 12.2.5 a)*

*Standard SS 12.2.6: Students will understand economic concepts that support rational decision making. (\*Indicators 12.2.6 b, c)*

Product (P) Students will individually and with others:

1 – Evaluate factors that generate most efficient use of resources and analyze the outcome of their choices.

*Standard SS 12.2.2: Students will illustrate how markets determine prices and allocate goods and services. (\*Indicators 12.2.2 d, e)*

2 -Use marginal benefits and marginal costs to formulate an argument for or against an approach for solutions to economic issues.

*Standard SS 12.2.6: Students will understand economic concepts that support rational decision making.*

*Suggested Pacing Guide 6 weeks (Weeks 1-5 Content/Week 6 Food Court Assessment)*

**Academic Vocabulary**

Economics

Trade-Offs

Scarcity

Opportunity Cost

Cost/benefit

Incentives

Needs/Wants

Choice

Micro Economics

Macro Economics

Market System

Command System

Traditional System

Human Resources

Natural Resources

Capital Resources

Entrepreneurship

Markets

Goods and Services

**Questions**

BASIC

What is scarcity and how does it impact choices?

What are the steps in economic decision making?

What are the three basic economic systems and characteristics of each?

PROFICIENT

How does supply and demand impact egg prices?

What are the factors of production and how do they impact your choice of what to produce?

ADVANCED

Why are government funded programs like Medicare or food stamps not “free”? Please

explain.

How would you prioritize distribution of food and other supplies after a hurricane?

How are oil prices impacted by outside influences (war or a natural disaster)? Explain

your predictions.

 **Unit 2: Exchange and Markets: Microeconomics**

Unit Overview: Economics is the study of decision making. This unit students will think critically about different market structures and solve issues including the allocation of scarce resources specific to firms in each structure. Students will judge the costs and benefits of a competitive

market and determine how competition impacts their daily life. Students will use the economic way of thinking to analyze the impact of supply and demand in the labor market.

Inquiry Question: Which market structure would you use in your country to allocate goods and services?

**Learning Targets:**

Knowledge (K) Students will individually and with others:

1 - Describe the characteristics of the four different market types and how supply and demand function in them. (perfect competition, monopoly, monopolistic competitive, and oligopoly)

*-SS 12.2.1 Students will assess how market forces guide the owners of land, labor, and capital and determine the allocation of wealth in the economy(\*Indicators 12.2.1 a, b, and d)*

*-SS 12.2.2 Students will illustrate how markets determine prices and allocate goods and services. (\*Indicators 12.2.2 a,b,c,d, and e)*

2 -Illustrate production costs (marginal costs, total costs, fixed costs, variable costs, and their averages)

*--SS 12.2.2 Students will illustrate how markets determine prices and allocate goods and services. (\*Indicators 12.2.2 a,b,c,d, and e)*

Reasoning (R) Students will individually and with others:

1 - Determine how supply and demand impacts price in each market system.

-*SS 12.2.2 Students will illustrate how markets determine prices and allocate goods and services. (\*Indicators 12.2.2 a,b,c,d, and e)*

2 -Analyze how labor decisions are made and the impact on wages using the forces of supply and demand.

*SS 12.2.1 Students will assess how market forces guide the owners of land, labor, and capital and determine the allocation of wealth in the economy(\*Indicators 12.2.1 d,e, and f)*

3- Compare and contrast government policies within each market structure and their possible unintended consequences.

*SS 12.2.10 Students will analyze the roles and responsibilities of government in various economic systems. (\*Indicators 12.2.10 a, b, and e)*

Product (P) Students will individually and with others:

1 – Hypothesize how competition could lead to lower prices, better quality of product, and better service in different industries.

*-SS 12.2.2 Students will illustrate how markets determine prices and allocate goods and services. (\*Indicators 12.2.2 d and e)*

Suggested Pacing Guide 4 weeks

**Academic Vocabulary**

Marginal Cost

Fixed Cost

Variable Cost

Total Cost

Profit

Marginal Revenue

Market Structure

Pure Competition

Monopoly

Monopolistic

competition

Oligopoly

Wage Rate

Labor Union

Strike

**Questions**

BASIC

How do we compute fixed cost, variable cost, average cost, average total cost, and marginal

cost?

What are the characteristics of the four types of markets and how do they function?

PROFICIENT

How would you apply supply and demand in the labor market to determine wages?

What inferences can you make about labor unions and their affect on the labor market?

What are some of the unintended consequences of government policies within each market structure?

ADVANCED

Suppose you are a business owner, what pricing strategy would you have made in each market structure? Justify your answer.

What would you propose business firms in a monopolistic competitive market do to make their

product more appealing than their competitors?

**Unit 3: The National Economy: Macroeconomic Policies**

Unit Overview: Economics is the study of decision making. This unit uses the economic way of thinking and macroeconomics to analyze national policies. Students will understand how macroeconomic policies are designed to moderate fluctuations and encourage economic growth under a wide variety of circumstances. Government promotes economic progress by protecting the rights of individuals and supplying goods that are difficult to provide through markets. This unit will analyze policies and possible unintended consequences for macroeconomic policies including but not limited to: fiscal policy, monetary policy, national security, health care, and national education.

Inquiry Question: How can we, as economic consultants to the President, create a comprehensive policy using monetary and fiscal tools so that we meet the needs of a variety of constituents?

**Learning Targets**:

Knowledge (K) Students will individually and with others:

1 – List and describe different fiscal policies the government may use to moderate the economy.

*Standard SS 12.2.11 Students will examine the government’s influence on economic systems through fiscal policy. (\*Indicators 12.2.11 a, b, and c)*

*Standard SS 12.2.3 Students will analyze how economic institutions impact individuals and groups. (\*Indicators 12.2.3 a and b)*

2 – Identify and describe different monetary policies the Federal Reserve may use to moderate the economy.

*Standard SS 12.2.3 Students will analyze how economic institutions impact individuals and groups. (\*Indicators 12.2.3 a, b, c, d, and e)*

Reasoning (R) Students will individually and with others:

1 – Predict how different macroeconomic policies affect economic indicators (GDP, unemployment, economic growth, interest rates, and inflation).

*Standard SS 12.2.11 Students will examine the government’s influence on economic systems through fiscal policy.*

*Standard SS 12.2.3 Students will analyze how economic institutions impact individuals and groups.*

2 – Use appropriate data to evaluate the state of employment, unemployment, inflation, production, income, and economic growth in the economy.

*Standard SS 12.2.3 Students will analyze how economic institutions impact individuals and groups. (\*Indicators 12.2.3 b)*

3-Explain how macroeconomic policies can affect the country’s standard of living, productivity, and your everyday life.

*Standard SS 12.2.5 Students will recognize and predict the impact that various economic systems will have on people. (\*Indicators 12.2.5 c)*

Product (P) Students will individually and with others:

1 – Evaluate the marginal costs/benefits of different macroeconomic policies and defend your position using the economic way of thinking. (National Defense, Health Care, National Education, etc.)

*Standard SS 12.2.3 Students will analyze how economic institutions impact individuals and groups.*

*Standard SS 12.2.5 Students will recognize and predict the impact that various economic systems will have on people.*

2-Evaluate factors that generate most efficient use of national resources and analyze the outcome of their choices.

*Standard SS 12.2.2:Students will illustrate how markets determine prices and allocate goods and services.(\*Indicators 12.2.2 d, e)*

*Suggested Pacing Guide 4 weeks (Weeks 1-3 Content/Week 4 The Presidents Dilemma)*

**Academic Vocabulary**

Business Cycle

GDP

Recession

Real GDP

Unemployment

Inflation

Demand-Side Policies

Supply Side Policies

Expansionary Policy

Contractionary Policy

Federal Reserve

Taxes

National Debt

Budget Deficit

Budget Surplus

Entitlement Programs

Public Goods

Private Goods

Tax Incentives

**Questions**

BASIC

What is fiscal policy and when is it used?

What is monetary policy and when is it used?

What are the three major types of federal taxes?

PROFICIENT

Describe how unemployment is calculated.

Analyze how government leaders make decisions concerning budgeting and the

unintended consequences of these choices.

Why have tax reforms occurred so frequently in recent years?

ADVANCED

Create a tax program that uses incentives to create what you believe are preferred behaviors.

What issues will these taxes have?

Defend the statement: “;Government slows economic progress when it becomes heavily involved in providing favors to some at the expense of others.”

**Unit 4: The Global Economy: International Trade and Globalization**

Unit Overview: Economics is the study of decision making. This unit includes the reasons for individuals and businesses to specialize and trade and how that leads to increased economic interdependence. Students will use the economic way of thinking to understand how the world economy functions. Comparing benefits and costs is essential to evaluating policies to influence trade amongst individuals and business in different countries.

**Learning Targets:**

Knowledge (K) Students will be able to, individually or with others,

1 – Explain how international trade allows for specialization that increases production and consumption within a country.

*SS 12.2.13 Students will evaluate how international trade affects the domestic economy. (Indicators 12.2.13 a and b)*

2 – :List the barriers to trade and explain how those barriers influence trade amongst nations.

*SS 12.2.13 Students will evaluate how international trade affects the domestic economy. (Indicator 12.2.13 b)*

Reasoning (R) Students will be able to, individually or with others,

1 – Compare and contrast how different economic systems, including free market, command, and mixed systems, coordinate and facilitate the exchange, production, distribution, and consumption of goods and services.

*SS 12.2.13 Students will evaluate how international trade affects the domestic economy.*

2- Examine how trade generates economic development and interdependence and analyze the resulting challenges and benefits for individuals, producers, and government.

*SS 12.2.12 Students will evaluate how international trade benefits individuals, organizations, and nations. (Indicators a, b, and c)*

Product (P) Students will be able to, individually or with others,

1 – Justify the United States’ trade policies and their impact on current globalization trends, economic growth, labor markets, rights of citizens, income distribution in different nations, and the environment.

*SS 12.2.10 Students will analyze the roles and responsibilities of government in various economic systems.*

*SS 12.2.13 Students will evaluate how international trade affects the domestic economy.*

2 - Assess the national and international effects of exchange rates on the strength of the dollar.

*SS 12.2.12 Students will evaluate how international trade affects individuals, organizations, and nations. (Indicator 12.2.12 b)*

*Suggested Pacing Guide 3 weeks*

**Academic Vocabulary**

Exports

Imports

Balance of trade

Absolute advantage

Specialization

Comparative advantage

Outsourcing

Tariff

Dumping

Exchange rate

Depreciation

Appreciation

Developed country

Less-developed country

Population growth rate

**Questions**

Basic

What effect does a tariff have on the price of an imported good?

What are the advantages and disadvantages of trade agreements?

Why might people in less developed countries have more children than people

in developed countries?

What are some of the benefits of free trade to a less developed country?

Proficient

Identify how one country can hold an absolute advantage in producing a certain product, while

another country holds a comparative advantage in producing the same thing.

Advanced

Evaluate the reasons why countries trade, list and support two examples of how your life would be different if the United States did not trade with other countries.