

# **Principles and Practices of Economics**

# Introduction

An important aspect of our Republic is that an educated and engaged citizenry is vital for the system to work. In a government where the final authority and sovereignty rests with the people, our local, state, and federal governments will only be as responsive as the citizens demand them to be. Preparing students for contemporary society cannot be accomplished without a strong emphasis on civics, economics, geography, and history – the core disciplines of the social sciences. It is imperative that each generation gains an understanding of the knowledge, skills, and dispositions to participate fully in civic life in a rapidly changing world.

The emphasis on content knowledge, disciplinary skills and processes, and the integration of inquiry elements will prepare students of Mesa Public Schools to engage actively in their community and meet the needs of the 21st century.

Engaging students in the pursuit of active, informed citizenship will require a broad range of understandings and skills including:

## **Think analytically**

- Pose and frame questions
- Gather a variety of evidence
- Recognize continuity and detect change over time
- Utilize chronology to examine cause and effect relationships
- Draw and combine reasonable inferences from a variety of sources to build an understanding of complex questions

## **Read widely and critically**

- Examine, interpret, and contextualize primary sources focusing on author, purpose, and audience of each source
- Identify and compare historical, geographic, economic, and political science interpretations from a wide variety of secondary sources
- Utilize broader understanding to discern subtext in primary and secondary sources

## **Communicate cogently and in a compelling manner**

- Develop and defend evidenced based arguments
- Utilize multiple perspectives for comprehensive explanations
- Practice and cultivate a wide variety of diverse types of writing
- Engage in constructive conversations around history and social science topics

# Anchor Standards

The Arizona History and Social Science Standards are organized into five content areas. Within these content areas are major core concepts referred to as Anchor Standards. One core concept within the standards is the Disciplinary Skills and Processes. **These Disciplinary Skills and Process standards provide the vehicle for which content is to be delivered.** They can apply to any historical era, context, or content area and provide the tools students need to think like historians, geographers, political scientists, and economists. These skills and processes are especially critical in a time when students are exposed to massive amounts of information in numerous forms and must develop skills to make sense of the information they obtain. Grade level standards are (then) written to support these Anchor Standards and progress as the student moves through grade levels.

Disciplinary Skills and Processes	Civics	Economics	Geography	History
SP1: Chronological reasoning requires understanding processes of change and continuity over time, which means assessing similarities and differences between historical periods and between the past and present.	C1: Civic virtues and democratic principles are key components of the American political system.	E1: A financially literate individual understands how to manage income, spending, and investment.	G1: The use of geographic representations and tools helps individuals understand their world.	H1: The development of civilizations, societies, cultures, and innovations have influenced history and continue to impact the modern world.
SP2: Thinking within the discipline involves the ability to identify, compare, and evaluate multiple perspectives about a given event to draw conclusions about that event since there are multiple points of view about events and issues.	C2: Citizens have individual rights, roles, and responsibilities.	E2: By applying economic reasoning, individuals seek to understand the decisions of people, groups, and societies.	G2: Human-environment interactions are essential aspects of human life in all societies.	H2: Cycles of conflict and cooperation have shaped relations among people, places, and environments.
SP3: Historians and social scientists gather, interpret, and use evidence to develop claims and answer historical, economic, geographical, and political questions and communicate their conclusions.	C3: An understanding of civic and political institutions in society and the principles these institutions are intended to reflect including knowledge about law, politics, and government are essential to effective citizenship.	E3: Individuals and institutions are interdependent within market systems.	G3: Examining human population and movement helps individuals understand past, present, and future conditions on Earth's surface.	H3: Economic, political, and religious ideas and institutions have influenced history and continue to shape the modern world.
		E4: The domestic economy is shaped by interactions between government, institutions, and the private sector		
SP4: Thinking within the discipline involves the ability to analyze relationships among causes and effects and to create and support arguments using relevant evidence.	C4: Process, rules, and laws direct how individuals are governed and how society addresses problems.	E5: The interconnected global economy impacts all individuals and groups in significant and varied ways.	G4: Global interconnections and spatial patterns are a necessary part of geographic reasoning.	H4: Patterns of social and political interactions have shaped people, places, and events throughout history and continue to shape the modern world.

The 21 Anchor Standards are represented within each of the grade bands; K-2, 3-5, 6-8, and high school, but not all Anchor Standards are at each grade level. Specific grade level standards are organized under each of the Anchor Standards.

CONTENT AREA	ANCHOR STANDARDS	K	1	2	3	4	5	6	7	8	HS
SKILLS & PROCESSES	SP1: Change, continuity, and context	X	X	X	X	X	X	X	X	X	X
	SP2: Multiple perspectives	X	X	X	X	X	X	X	X	X	X
	SP3: Gathering, using, and interpreting evidence	X	X	X	X	X	X	X	X	X	X
	SP4: Causation and argumentation			X	X	X	X	X	X	X	X
CIVICS	C1: Civic virtues and democratic principles	X	X		X	X				X	X
	C2: Individual Rights, Roles, and Responsibilities	X		X		X	X	X	X	X	X
	C3: Civic and political institutions		X		X		X			X	X
	C4: Process, rules, and laws	X		X			X	X	X	X	X
ECONOMICS	E1: Financial Literacy/Personal Finance		X	X	X		X	X		X	X
	E2: Economic decision making	X	X		X	X	X		X	X	X
	E3: Exchange and Markets		X	X		X	X	X	X	X	X
	E4: The National Economy			X			X			X	X
	E5: The Global Economy			X			X	X	X	X	X
GEOGRAPHY	G1: Geographic Representations	X	X	X	X	X	X	X	X	X	X
	G2: Human-environment interaction	X	X	X	X			X	X	X	X
	G3: Human population and movement		X	X	X	X	X	X	X	X	X
	G4: Global Interconnections			X	X	X	X	X	X	X	X
HISTORY	H1: Culture, Civilization and Innovation	X	X	X	X	X		X	X		X
	H2: Conflict and Cooperation	X	X		X	X	X	X	X	X	X
	H3: Influence of Economic, Political, and Religious Ideas and Institutions			X	X	X		X	X	X	X
	H4: Patterns of Social and Political Interactions	X	X				X	X	X		X

# Inquiry Arc

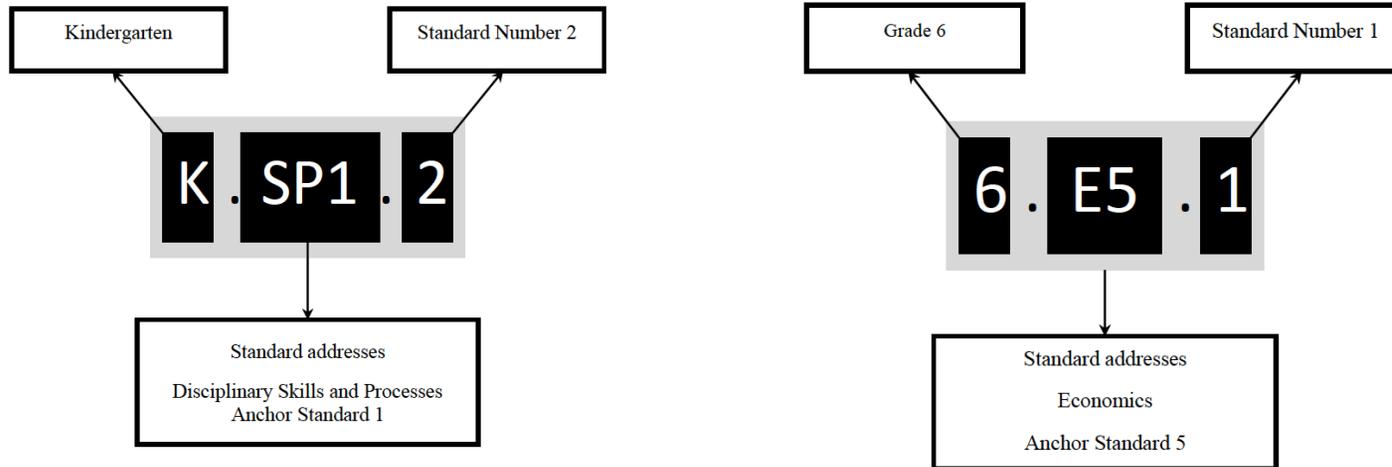
Children and adolescents are naturally curious and have unlimited questions. Learning to investigate questions in the social studies discipline areas results in a deeper understanding of content and a stronger connection to the material. Students must gather and evaluate evidence, formulate arguments, critique counter claims, and communicate their conclusions through many modes including writing, speaking, and visualizing. The six components of the Inquiry Arc are found in the Disciplinary Skills and Processes Anchor Standards and appear at each grade level. Incorporating inquiry using the content standards reinforces the same skills and processes contained in the Arizona English Language Arts (ELA) standards. As students utilize inquiry processes in their content area, they reinforce and use the ELA reading, writing, speaking, and listening standards.

## The Six Elements of the Inquiry Arc

- **Inquiry Element 1: Developing Compelling Questions**  
Central to a rich social studies experience is the capability for developing questions that can frame and advance inquiry. Those questions come in two forms: compelling and supporting questions. Compelling questions focus on enduring issues and concerns.
- **Inquiry Element 2: Constructing Supporting Questions**  
Supporting questions focus on descriptions, definitions, and processes in which there is general agreement within the social studies disciplines and require students to construct explanations that advance claims of understanding in response.
- **Inquiry Element 3: Gathering and Evaluating Sources**  
Students, whether they are constructing opinions, explanations, or arguments, gather information from a variety of sources and evaluate the relevance of the information. In evaluating these sources there are literacy skills, such as identifying an author’s purpose, main idea, and point of view, that will help in evaluating the usefulness of a source.
- **Inquiry Element 4: Developing Claims**  
Once students analyze information, they need to develop claims and counterclaims to answer social studies questions. Evidence is used to support these claims.
- **Inquiry Element 5: Communicating Conclusions**  
Students formalize their arguments and explanations and communicate their results through various products to a wide range of audiences. Students also have the opportunity to critique their scholarship as well as the scholarship of others.
- **Inquiry Element 6: Taking Informed Action**  
To prepare students for civic life, students use their disciplinary knowledge, skills, and perspectives to inquire about problems involved in public issues, deliberate with others on how to define and address these issues, take constructive and collaborative action, and reflect on that action.

# Design and Coding

Each standard is made up of three components. The grade level appears first, followed by the core discipline Big Idea, and finally a standard number. The standard number at the end of the code is designed for recording purposes and does not imply instructional sequence or importance. Examples and explanations of the coding are reflected here.



# Standards v. Curriculum v. Instruction

## **Standards:**

Standards are what a student needs to know, understand, and be able to do by the end of each grade. They build across grade levels in a progression of increasing understanding and through a range of cognitive demand levels. Standards are adopted at the state level by the Arizona State Board of Education.

## **Curriculum:**

Curriculum refers to resources used for teaching and learning the standards. Curricula are adopted at the local level.

## **Instruction:**

Instruction refers to the methods, or methodologies, used by teachers to teach their students. Instructional techniques are employed by individual teachers in response to the needs of the students in their classes to help them progress through the curriculum to master the standards. Decisions about instructional practice and techniques are made at a local level.

# Scope and Sequence

## High School Social Studies: Principles and Practices of Economics

Through the use of inquiry, students will explore the economic reasoning process to make informed decisions in a wide variety of economic contexts. Knowledge about how people, institutions, and societies choose to use resources to meet their wants and needs will be studied. In addition, concepts incorporating financial literacy and personal finance will be examined, including budgeting, saving, spending, investing, credit, and banking.

Unit #	Title	Critical Content		Approximate Time
1	Economic Reasoning	Scarcity and Opportunity Cost Marginal Analysis Cost/Benefit Analysis	Incentives Compare Economic Systems Circular Flow Model	2.5 weeks
2	Financial Literacy	Personal Budgeting Credit and Loans Investment Options		3 weeks
3	Microeconomics	Supply and Demand and Prices Price Controls Market Structures	Business Organizations	4 weeks
4	Macroeconomics	Reading economic data (i.e., GDP, Unemployment, Inflation) Fiscal Policy	The "FED" and Banks Monetary Policy	4 weeks
5	Trade and Globalization	Absolute and Comparative Advantage Free Trade vs. Protectionism Global Standards of Living		2.5 weeks

# Disciplinary Skills and Processes

## High School Social Studies: Principles and Practices of Economics

Units	1 – Economic Reasoning 2 – Financial Literacy 3 – Microeconomics	4 – Macroeconomics 5 – Trade and Globalization						
<b>DISCIPLINARY SKILLS and PROCESSES:</b> Use this chart to track usage of SP standards throughout the units.			UNITS:	1	2	3	4	5
<b>Chronological reasoning requires understanding processes of change and continuity over time, which means assessing similarities and differences between historical periods and between the past and present.</b>								
HS.SP1.1 Evaluate how events and developments were shaped by unique circumstances of time and place as well as broader contexts.								
HS.SP1.2 Analyze change and continuity in historical eras.								
HS.SP1.3 Evaluate the significance of past events as they relate to their own lives and the world.								
HS.SP1.4 Use compelling questions generated about individuals and groups to assess how the significance of their actions changes over time and is shaped by the historical context.								
<b>Thinking within the discipline involves the ability to identify, compare, and evaluate multiple perspectives about a given event to draw conclusions about that event since there are multiple points of view about events and issues.</b>								
HS.SP2.1 Analyze how contexts shaped and continue to shape people’s perspectives.								
HS.SP2.2 Analyze the ways in which perspective shapes recorded history.								
HS.SP2.3 Demonstrate historical empathy when examining individuals or groups in the past whose perspectives might be very different from those held today.								
<b>Historians and social scientists gather, interpret, and use evidence to develop claims and answer historical, economic, geographical, and political questions and communicate their conclusions.</b>								
HS.SP3.1 Develop and frame questions about issues and events in the discipline and determine the types of sources that will be helpful in answering these questions.								
HS.SP3.2 Gather relevant information from multiple sources representing a wide range of views while using origin, authority, structure, context, and corroborative value of the source to guide the selection.								

<b>DISCIPLINARY SKILLS and PROCESSES</b>	<b>UNITS:</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>HS.SP3.3</b> Analyze the relationship between primary sources and the secondary interpretations made from them including possible limitations in various kinds of evidence and differing secondary interpretations.						
<b>HS.SP3.4</b> Evaluate the credibility of a source by examining how experts value the source.						
<b>HS.SP3.5</b> Use questions generated about multiple historical sources to pursue further inquiry and investigate additional sources.						
<b>HS.SP3.6</b> Construct and present arguments using precise and knowledgeable claims, with evidence from multiple sources, while acknowledging counterclaims and evidentiary weaknesses.						
<b>HS.SP3.7</b> Construct and present explanations using sound reasoning, correct sequence (linear and non-linear) examples, and details with significant and pertinent information and data, while acknowledging the strengths and weaknesses of the explanation.						
<b>HS.SP3.8</b> Present arguments and explanations that feature ideas and perspectives on issues and topics to reach a range of audiences and venues using print, oral, and digital technologies.						
<b>Thinking within the discipline involves the ability to analyze relationships among causes and effects and to create and support arguments using relevant evidence.</b>						
<b>HS.SP4.1</b> Analyze multiple and complex causes and effects of events in the past and present.						
<b>HS.SP4.2</b> Distinguish between long-term causes and triggering events in developing an argument.						
<b>HS.SP4.3</b> Integrate evidence from multiple relevant sources and interpretations into a reasoned argument.						
<b>HS.SP4.4</b> Compare the central arguments in secondary works on related topics in multiple media. Critique the central arguments in secondary works on related topics in multiple media in terms of their accuracy and relevance.						

# Economics Unit 1: Economic Reasoning

**Compelling Question: When should the government interfere with voluntary exchange?**

**Time: 2.5 Weeks**

## Disciplinary Skills and Processes:

Lessons should be designed around Disciplinary Skills and Process (SP) Standards. The SP standards are the vehicle through which content standards are to be delivered. SP standards are to be taught multiple times throughout the year, with mastery by the end of the course. Refer to the Disciplinary Skills and Process Standards Chart above and determine the appropriate standards to frame your instruction within units. Track used standards on the chart.

Content Standards	Learning Targets	Key Concepts/Topics
<p><b>HS.E2.1</b> Explain how scarcity results in economic decisions and evaluate their impact on individuals, institutions, and societies.</p> <p><b>HS.E2.2</b> Analyze how incentives influence economic choices for individuals, institutions, and societies.</p> <p><b>HS.E2.3</b> Use cost-benefit analysis and/or marginal analysis to evaluate an economic issue.</p>	<p>I can explain that because of scarcity every choice has an opportunity cost. (HS.E2.1)</p> <p>I can identify the factors of production and provide examples of each. (HS.E2.1)</p> <p>I can evaluate a production possibility curve, calculate opportunity cost, and determine efficiency. (HS.E2.1)</p> <p>I can use marginal analysis to calculate marginal cost and marginal benefit in real life situations. (HS.E2.3)</p> <p>I can identify how incentives help individuals, firms, and governments make decisions. (HS.E2.2)</p> <p>I can identify and compare economic systems to explain advantages and disadvantages of each system. (HS.E2.2)</p> <p>I can evaluate and explain a nation's level of government regulation and how that relates to their placement on the mixed economy spectrum. (HS.E2.1, HS.E2.2)</p> <p>I can compare the key features of the free market circular flow model and mixed economy circular flow model. (HS.E2.1, HS.E2.2, HS.E2.3)</p>	<p>Adam Smith</p> <p>opportunity cost</p> <p>capitalist vs. command economy</p> <p>physical capital</p> <p>circular flow model</p> <p>production possibilities</p> <p>communism vs. socialism</p> <p>public goods</p> <p>factors of production</p> <p>scarcity</p> <p>government regulation</p> <p>self-interest</p> <p>human capital</p> <p>thinking at the margin</p> <p>invisible hand</p> <p>voluntary exchange</p> <p>Karl Marx</p> <p>law of diminishing marginal returns</p> <p>mixed economy</p>

**Supporting Questions**

<p>What is the relationship between scarcity and choices?</p> <p>What is the difference between labor and human capital?</p> <p>How does the production possibilities graph demonstrate the basic economic concepts of scarcity, trade-offs, opportunity cost, and efficiency?</p> <p>What are some common examples of marginal decisions that students make?</p> <p>How does consumer sovereignty determine production decisions in the free market?</p> <p>What are advantages and disadvantages of a command economy?</p>	<p>How does the invisible hand guide people in a free market to be productive members of society?</p> <p>What are examples of socialist programs in the United States?</p> <p>What factors contribute to a nation's placement on the economic spectrum?</p> <p>What are examples of common public goods?</p> <p>What are examples of government regulatory agencies in the United States?</p> <p>What are the similarities and differences of the free market and mixed market circular flow model?</p>
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# Economics Unit 2: Financial Literacy

**Compelling Question: Is the benefit of a college education worth the cost?**

**Time:** 3 Weeks

## Disciplinary Skills and Processes:

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Content Standards	Learning Targets	Key Concepts/Topics
<p><b>HS.E1.1</b> Evaluate how and why people make choices to improve their economic well-being.</p> <p><b>HS.E1.2</b> Analyze the factors that influence how and why people make budgeting and saving choices.</p> <p><b>HS.E1.3</b> Evaluate the cost and benefits of using credit.</p> <p><b>HS.E1.4</b> Compare the cost and benefits of several types of investments.</p> <p><b>HS.E1.5</b> Evaluate the ways insurance may minimize personal financial risk.</p>	<p>I can analyze the effect that education, debt, investing, and criminal records have on economic well-being. (HS.E1.1)</p> <p>I can manage the cash flow in a family budget. (HS.E1.2)</p> <p>I can analyze the benefits and drawbacks of using different types of credit. (HS.E1.3)</p> <p>I can identify the factors that determine a credit score. (HS.E1.3)</p> <p>I can explain the relationship between credit scores, loan approval, and loan interest rates. (HS.E1.2)</p> <p>I can explain the risk vs. return relationship of different investment types. (HS.E1.4)</p> <p>I can determine the impact of expenses on investment return. (HS.E1.4)</p> <p>I can identify various types of insurance and how different coverage levels provide varying levels of financial protection. (HS.E1.5)</p>	<p>bonds (government, corporate, municipal)</p> <p>compound interest</p> <p>credit card vs. debit card</p> <p>credit report</p> <p>credit score</p> <p>credit utilization</p> <p>diversification</p> <p>expense ratios</p> <p>fixed costs</p> <p>insurance deductible</p> <p>insurance premium</p> <p>interest rates</p> <p>mutual funds</p> <p>risk vs. return</p> <p>stocks (blue chip, growth, speculative)</p> <p>student loans</p> <p>variable costs</p>

## Supporting Questions

<p>What is self-interest?</p> <p>Why are all costs variable costs in the long run?</p> <p>When should I use credit?</p> <p>What can I do to increase my credit score?</p> <p>Why is my credit rating important?</p>	<p>How is risk related to the possibility of return?</p> <p>What strategies can I use to reduce my risks in investing?</p> <p>What are the costs associated with making investments?</p> <p>What is the relationship between a premium and a deductible?</p>
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# Economics Unit 3: Microeconomics

**Compelling Question: Should the federal government use price controls to influence markets?**

**Time:** 4 Weeks

## Disciplinary Skills and Processes:

Lessons should be designed around Disciplinary Skills and Process (SP) Standards. The SP standards are the vehicle through which content standards are to be delivered. SP standards are to be taught multiple times throughout the year, with mastery by the end of the course. Refer to the Disciplinary Skills and Process Standards Chart above and determine the appropriate standards to frame your instruction within units. Track used standards on the chart.

Content Standards	Learning Targets	Key Concepts/Topics
<p><b>HS.E3.1</b> Explain how buyers and sellers interact to create markets and market structures.</p> <p><b>HS.E3.2</b> Evaluate how numerous factors and conditions influence market prices.</p> <p><b>HS.E3.3</b> Evaluate the role of government in regulating market places.</p> <p><b>HS.E3.4</b> Explain the distinct types of business organizations and analyze the role of innovation and entrepreneurship in a market economy.</p>	<p>I can graph supply and demand to determine market equilibrium. (HS.E3.1)</p> <p>I can identify the determinants of demand and supply. (HS.E3.2)</p> <p>I can demonstrate how shifts in supply and/or demand will affect equilibrium price and quantity. (HS.E3.2)</p> <p>I can demonstrate how elasticity can affect the supply and demand of a product. (HS.E3.2)</p> <p>I can explain how various government policies affect market prices and quantities. (HS.E3.3)</p> <p>I can differentiate types of market structures and evaluate how prices are determined in each market. (HS.E3.1, HS.E3.4)</p> <p>I can analyze how the market economy promotes innovation and entrepreneurship. (HS.E3.4)</p> <p>I can differentiate the advantages and disadvantages of various business organizations. (HS.E3.4)</p>	<p>ceteris paribus</p> <p>patents</p> <p>compliments</p> <p>perfect competition</p> <p>copyright</p> <p>price ceilings</p> <p>corporation</p> <p>price floors</p> <p>elasticity</p> <p>profit motive</p> <p>franchise</p> <p>shortage</p> <p>general partnership</p> <p>sole proprietorship</p> <p>intellectual property</p> <p>substitutes</p> <p>law of demand</p> <p>surplus</p> <p>law of supply equilibrium</p> <p>taxes and subsidies</p> <p>liability</p> <p>limited partnership</p> <p>market structures</p> <p>monopolistic competition</p> <p>monopoly</p> <p>oligopoly</p>

## Supporting Questions

<p>How is equilibrium price and quantity determined?</p> <p>What effect will taxes and subsidies have on the supply of a product?</p> <p>What are current examples of price controls, subsidies, and excise taxes?</p> <p>Which products have inelastic demand in the United States today? Elastic demand?</p> <p>What problems are caused by price ceilings and price floors?</p> <p>What makes a perfectly competitive market perfect?</p>	<p>What is a natural monopoly?</p> <p>What are the benefits of the government providing the protection of patents and copyrights?</p> <p>What are the benefits of corporations vs. sole proprietorships and partnerships?</p> <p>What are the advantages and disadvantages of franchises?</p>
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# Economics Unit 4: Macroeconomics

**Compelling Question: Should government institutions intervene to provide assistance during a financial crisis?**

**Time:** 4 Weeks

## Disciplinary Skills and Processes:

Lessons should be designed around Disciplinary Skills and Process (SP) Standards. The SP standards are the vehicle through which content standards are to be delivered. SP standards are to be taught multiple times throughout the year, with mastery by the end of the course. Refer to the Disciplinary Skills and Process Standards Chart above and determine the appropriate standards to frame your instruction within units. Track used standards on the chart.

Content Standards	Learning Targets	Key Concepts/Topics
<p><b>HS.E4.1</b> Use economic data to analyze the health of a national economy.</p> <p><b>HS.E4.2</b> Evaluate the economic conditions that lead to fiscal and monetary policy choices and explain their impact on households and businesses.</p> <p><b>HS.E4.3</b> Explain the roles of institutions in a market economy.</p> <p><b>HS.E4.4</b> Explain the effect of advancements in technology and training on economic growth and standards of living.</p>	<p>I can evaluate economic indicators and determine current phase of the business cycle. (HS.E4.1)</p> <p>I can differentiate between the three types of unemployment. (HS.E4.1, HS.E4.4)</p> <p>I can identify how inflation impacts different groups of people. (HS.E4.2)</p> <p>I can evaluate the components of the federal budget. (HS.E4.3)</p> <p>I can describe and provide examples of different tax types. (HS.E4.3)</p> <p>I can explain how taxes and spending are used to establish fiscal policy in order to impact the economy. (HS.E4.3)</p> <p>I can describe the purpose and structure of the Fed. (HS.E4.3)</p> <p>I can identify different components of the money supply. (HS.E4.1)</p> <p>I can identify the Monetary Policy tools and how each is used by the Fed during different phases of the business cycle. (HS.E4.2)</p>	<p>budget deficit</p> <p>budget surplus</p> <p>contractionary vs. expansionary policy</p> <p>Consumer Price Index (CPI)</p> <p>demand-side economics</p> <p>discretionary spending</p> <p>fiat money</p> <p>fiscal policy</p> <p>gross domestic product (GDP=C+I+G+XN)</p> <p>hyperinflation</p> <p>John Maynard Keynes</p> <p>labor force participation rate</p> <p>mandatory spending</p> <p>monetary policy</p> <p>national debt</p> <p>poverty rate</p> <p>progressive tax</p> <p>proportional tax</p> <p>regressive tax</p> <p>representative money</p> <p>supply-side economics (Reaganomics)</p> <p>the business cycle</p> <p>The Federal Reserve</p> <p>types of inflation</p> <p>unemployment types (frictional, structural, cyclical)</p>

## Supporting Questions

<p>What are the characteristics of an economy in the phases of the business cycle: expansion, peak, contraction, and the trough?</p> <p>How can GDP be used to determine a nation's standard of living?</p> <p>Why is full employment an important economic goal?</p> <p>What unemployment type is the result of an economy in recession?</p> <p>Why is 2% inflation the yearly target rate for the Fed?</p> <p>What are possible economic implications of an inflation rate that is higher or lower than 2%?</p>	<p>What are the implications of providing lower tax rates to the highest and lowest income Americans?</p> <p>What is the dual mandate of the Fed?</p> <p>How is the Fed structured?</p> <p>During a recession how does the Fed use the monetary policy tools to increase demand?</p> <p>During times of excessive inflation how does the Fed use the monetary policy tools to decrease demand?</p>
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# Economics Unit 5: Trade and Globalization

**Compelling Question: Should countries pursue free trade policies in today's global economy?**

**Time:** 2.5 Weeks

**Disciplinary Skills and Processes:**

Lessons should be designed around Disciplinary Skills and Process (SP) Standards. The SP standards are the vehicle through which content standards are to be delivered. SP standards are to be taught multiple times throughout the year, with mastery by the end of the course. Refer to the Disciplinary Skills and Process Standards Chart above and determine the appropriate standards to frame your instruction within units. Track used standards on the chart.

Content Standards	Learning Targets	Key Concepts/Topics
<p><b>HS.E5.1</b> Evaluate the advantages and disadvantages of global trade.</p> <p><b>HS.E5.2</b> Evaluate how interdependence impacts individuals, institutions, and societies.</p> <p><b>HS.E5.3</b> Explain why nations chose to trade and how it is regulated.</p> <p><b>HS.E5.4</b> Explain how national economies influence trade.</p>	<p>I can calculate absolute and comparative advantage. (HS.E5.1, HS.E5.2)</p> <p>I can identify positive and negative impacts of globalization and global interdependence. (HS.E5.1)</p> <p>I can evaluate how strong and weak currencies contribute to a country's balance of trade. (HS.E5.1, HS.E5.4)</p> <p>I can differentiate between free trade and protectionist trade policies. (HS.E5.3, HS.E5.4)</p> <p>I can describe the different standards of living in nations around the world. (HS.E5.2)</p>	<p>absolute advantage</p> <p>comparative advantage</p> <p>embargo</p> <p>European Union</p> <p>Foreign Exchange (FOREX)</p> <p>free trade agreements</p> <p>import quotas</p> <p>outsourcing</p> <p>protectionism</p> <p>sanction</p> <p>tariffs</p> <p>trade barriers</p> <p>USCMA (NAFTA)</p> <p>World Bank</p>

**Supporting Questions**

<p>What is the relationship between comparative advantage, opportunity cost, and specialization?</p> <p>What are the arguments for free trade?</p> <p>What are the arguments against free trade?</p> <p>How did NAFTA benefit the United States economy?</p>	<p>How did NAFTA harm the United States economy?</p> <p>What are the advantages and disadvantages of protectionism?</p> <p>What are significant examples of America's current trade policy?</p>
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