

High School Content Expectations



SOCIAL STUDIES

- World History and Geography
- United States History and Geography
- Civics
- Economics

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Eastern Michigan University

Pamela Sayre
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Joseph P. Stoltman
Western Michigan University

Bill Strickland
East Grand Rapids High School

Graduate Student Assistants

Lauren McArthur
University of Michigan

Tamara Shreiner
University of Michigan

Brett Levy
University of Michigan

Drew Cincia
University of Michigan

Internal Review

Betty Underwood
Michigan Department of Education

J. Kelli Sweet
Michigan Council for the Social Studies

Karen R. Todorov
Michigan Department of Education

Michael Yocum
Oakland Schools

External Review

*Teachers, administrators, consultants,
and college and university professors
contributed documents and reviews.*

Project Coordinator

Susan Codere Kelly
Michigan Department of Education

Welcome to Michigan’s High School Social Studies Content Standards and Expectations

Why Develop Content Standards and Expectations for High School?

In 2004, the Michigan Department of Education embraced the challenge to initiate a “high school redesign” project. Since then, the national call to create more rigorous learning for high school students has become a major priority for state leaders across the country. The Cherry Commission Report highlighted several goals for Michigan including the development of high school content expectations that reflect both a rigorous and a relevant curricular focus. Dovetailing with this call to “curricular action” is Michigan’s legislative change in high school assessment. The Michigan Merit Exam, based on rigorous high school learning standards, was implemented in 2007 and will be fully aligned with these expectations by 2010.

The Michigan Department of Education’s Office of School Improvement led the development of high school content expectations. Content area work groups submitted content expectation drafts to a web-based state wide review. Following the web based review, a scholarly review by experts outside of Michigan was completed to identify the national stature of the document and recommended changes. The content standards and expectations presented in this document reflect the ideas expressed in the extensive field and national reviews, and comments made by the State Board of Education.

The Michigan Curriculum Framework’s Content Standards and Benchmarks for Social Studies represent the full scope of the social studies curriculum. The High School Content Expectations (HSCE) establish what every student is expected to know by the end of high school. Social Studies High School Content Expectations are not a social studies curriculum nor are they intended to limit what is taught. They are meant to be used as a guide for both curriculum development and assessment of learning, and the Michigan Merit exam.

An Overview

The content expectations contained in this document reflect best practices and current research in the teaching and learning of social studies. They build from the Michigan Social Studies Curriculum Framework Standards and Benchmarks (1996) and include The Michigan State Board of Education’s Policy on Learning Expectations for Michigan Students (2002). These standards and expectations represent a vision for a rigorous and relevant high school experience for all Michigan students over the next five to ten years. Special attention has been paid to national research and support for the skills that prepare students for successful post-secondary educational engagement and future roles in the work place.

The standards and expectations are closely aligned with the following national standards and frameworks: *National Standards for Civics and Government* (1994); *National Content Standards in Economics* (1997); *National Geography Standards: Geography for Life*, (1994); *National Standards for History Basic Education* (1996); *National Standards for United States History: Exploring the American Experience*, (1993); *National Standards for World History: Exploring Paths to the Present*, (1993); National Assessment Governing Board’s U.S. History, Civics, and Economics Frameworks for the 2006 NAEP Assessments, and Geography Framework for the 1994 and 2001 NAEP Assessments; and *Expectations of Excellence: Curriculum Standards for Social Studies*, (1994). Students whose work is guided by these standards and expectations will be prepared for responsible citizenship, post-secondary education, and the workplace.

Process for Creating Content Expectations

Extant Michigan Documents

- Michigan Curriculum Framework Standards and Benchmarks, 1996
- High School Content Expectations Document 6/06 Draft
- Outside Reviews

National Civics Standards

National Economics Standards

National Geography Standards

National Standards in U.S. History

National Standards in World History

National Council of Social Studies Curriculum Standards

College Readiness Recommendations

- ACT “College Readiness Standards”
- ACT “Reading Between the Lines”
- College Board “Standards for College Success”
- “Understanding University Success”

National Assessment Frameworks

- National Assessment Governing Board – NAEP
- College Board – AP, SAT II
- International Baccalaureate – IB

Academic Work Groups

Standards Review

- Fordham
- Independent Reviews
- Shanker Institute
- Review of Michigan Content

Draft Content Expectations

Exemplary State Standards

- Alabama
- California
- Georgia
- Indiana
- Massachusetts
- Minnesota
- New York
- Virginia

Review and Revisions

Social Studies Content Expectations

UNDERSTANDING THE ORGANIZATIONAL STRUCTURE

The High School Standards and Content Expectations for Social Studies are organized by Course/Credit title. In addition to defining specific disciplinary knowledge and skills for each course/credit, they include standards and expectations in two other important categories: General Social Science Knowledge and Processes and Skills for Social Studies. The Structure is shown below. The skills and content addressed in these standards and expectations will, in practice, be integrated into the social studies curriculum in powerful and engaging units of instruction. These expectations are meant to inform curriculum and assessment development.

High School Social Studies Organizational Chart			
World History and Geography	U.S. History and Geography	Civics	Economics
<i>General Social Science Knowledge</i>	<i>General Social Science Knowledge</i>	<i>General Social Science Knowledge</i>	<i>General Social Science Knowledge</i>
K1 General Knowledge Defining Characteristics Relationships and Patterns Perspectives and Diversity Current Events and Issues Integration and General Understanding	K1 General Knowledge Defining Characteristics Relationships and Patterns Perspectives and Diversity Current Events and Issues Integration and General Understanding	K1 General Knowledge Defining Characteristics Relationships and Patterns Perspectives and Diversity Current Events and Issues Integration and General Understanding	K1 General Knowledge Defining Characteristics Relationships and Patterns Perspectives and Diversity Current Events and Issues Integration and General Understanding
<i>Social Studies Processes and Skills</i>	<i>Social Studies Processes and Skills</i>	<i>Social Studies Processes and Skills</i>	<i>Social Studies Processes and Skills</i>
P1 Reading and Communication P2 Inquiry, Research, and Analysis P3 Public Discourse and Decision Making P4 Citizen Involvement	P1 Reading and Communication P2 Inquiry, Research, and Analysis P3 Public Discourse and Decision Making P4 Citizen Involvement	P1 Reading and Communication P2 Inquiry, Research, and Analysis P3 Public Discourse and Decision Making P4 Citizen Involvement	P1 Reading and Communication P2 Inquiry, Research, and Analysis P3 Public Discourse and Decision Making P4 Citizen Involvement
<i>Disciplinary Knowledge</i>	<i>Disciplinary Knowledge</i>	<i>Disciplinary Knowledge</i>	<i>Disciplinary Knowledge</i>
W1 Historical and Geographical Knowledge and Perspective W2 Historical and Geographical Analysis and Interpretation W3 Global Analysis of World History Eras 5 - 9 Foundations Era 5 - 1000 - 1500 Era 6 - 15th - 18th Centuries Era 7 - 18th Century - 1914 Era 8 - 1900 - 1945 Era 9 - 1945 - present	U1 Historical and Geographical Knowledge and Perspective U2 Historical and Geographical Analysis and Interpretation U3 Thematic Analysis of U.S. History Eras 6 - 9 Foundations Era 6 - 1870 - 1930 Era 7 - 1920 - 1945 Era 8 - 1945 - 1989 Era 9 - 1980 - present	C1 Conceptual Foundations of Civic and Political Life C2 Origins and Foundations of U.S. C3 Functioning of U.S. Government C4 The United States in World Affairs C5 Idea of Citizenship in the United States C6 Citizenship in Action	E1 Business Choices E2 Role of Government E3 Economic Systems E4 Trade E5 Personal Finance

CURRICULUM AND ASSESSMENT

This document is intended to support conversations at the school and district level that result in rigorous and relevant curriculum that will prepare students for college and the workplace.

As stakeholders (e.g., teachers, administrators, school board members, parents, community members, students, local legislative representatives) work with these standards, they should consider the following questions:

- How are these content standards and expectations reflected in our curriculum and instruction already?
- Where may the curriculum and instruction be strengthened to more fully realize the intent of these standards and expectations?
- What opportunities do these standards and expectations present to develop new and strengthen existing curriculum, leading to instructional excellence?
- How may the standards and expectations be implemented as we take into account what we know about our students, school, and community?
- How may the effectiveness with which our students and schools are meeting the standards and content expectations be assessed?
- How may school-based assessments (e.g., student portfolios, school-based writing assessments, teacher or classroom research, district-level assessments) be used to make data-driven decisions about teaching and learning?

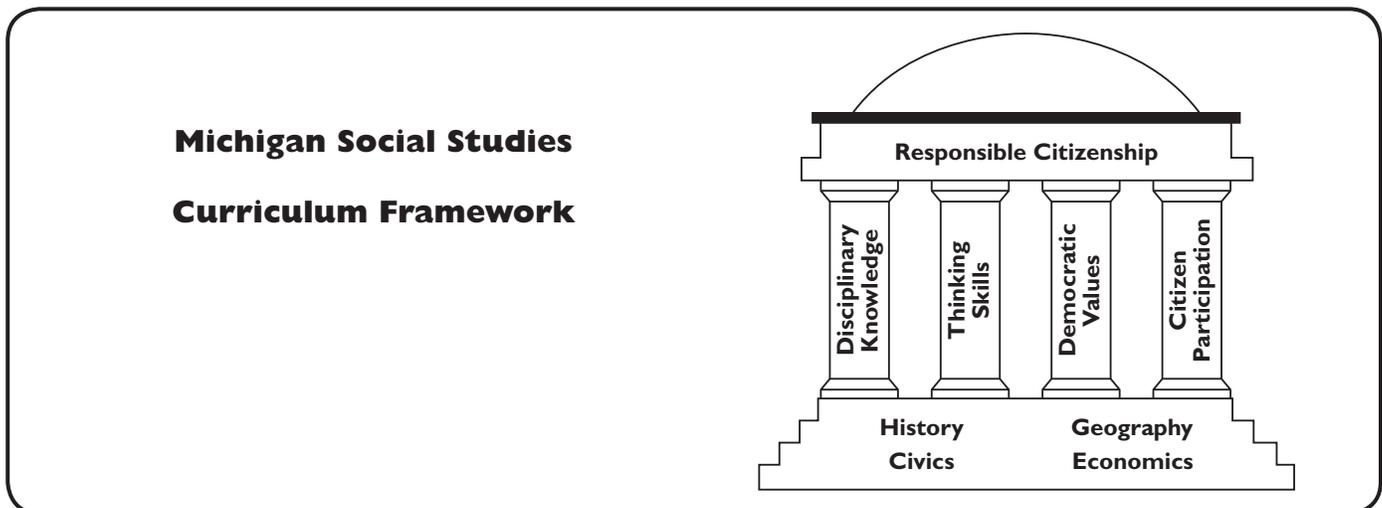
Through conversations about questions such as these, and building upon the multitude of existing strengths in our current high schools, voices of all stakeholders will participate in the important and continuing process of shaping instructional excellence in Michigan schools and preparing students for college and the workplace.

In 2002, the Michigan State Board of Education adopted the *Policy on Learning Expectations*. These Expectations and the High School Content Expectations are intended to work together to prepare Michigan’s students to face new challenges in an ever-changing world, and provide them with the knowledge and skills needed for future success and to be productive citizens. Students will be prepared to:

- Gather Information
- Understand Information
- Analyze Issues
- Draw and Justify Conclusions
- Organize and Communicate Information
- Think and Communicate Critically
- Learn and Consider Issues Collaboratively
- Learn Independently
- Create Knowledge
- Act Ethically

SOCIAL STUDIES

Social Studies is the integrated study of the social sciences to prepare young people to become responsible citizens. Responsible citizens display social understanding and civic efficacy. Social understanding includes knowledge of the human condition, how it has changed over time, the variations that occur in different physical environments and cultural settings, and the emerging trends that appear likely to shape the future in an interdependent world. Civic efficacy is the readiness and willingness to assume responsibilities of citizenship and to make informed and reasoned decisions for the public good in a pluralistic, democratic society.



Active Learning

Democracy requires active citizens. Responsible democratic action requires students to participate in our democracy while learning in the classroom. Teachers must engage students in activities to simultaneously learn about civic participation while engaging in the real civic life of their communities, our state, and our nation. The social studies curriculum prepares students to participate in political activities, to serve their communities, and to regulate themselves responsibly.

The Responsible Citizen:

- Uses knowledge of the past to construct meaningful understanding of our diverse cultural heritage and inform his/her civic judgments (Historical Perspective)
- Uses knowledge of spatial patterns on earth to understand processes that shape both the natural environments and the diverse societies that inhabit them (Geographic Perspective)
- Uses knowledge of American government and politics to make decisions about governing his/her community (Civic Perspective)
- Uses knowledge of the production, distribution and consumption of goods and services to make personal, career and societal decisions about the use of scarce resources (Economic Perspective)
- Uses methods of social science investigation to answer questions about society (Inquiry)
- Constructs and expresses reasoned positions on public issues (Public Discourse and Decision Making)
- Acts constructively to further the public good (Citizen Involvement)

Educating Citizens Beyond Social Studies

“The current and future health of America’s 21st Century Economy depends directly on how broadly and deeply Americans reach a new level of literacy—21st Century Literacy—that includes strong academic skills, thinking, reasoning, teamwork skills, and proficiency in using technology.” —**21st Century Workforce Commission National Alliance of Business**

In order to thrive in a digital economy, students will need digital-age proficiencies. These proficiencies include:

- Basic, scientific, technological, financial, economic, and civic literacy
- Visual and information literacy
- Cultural literacy and global awareness
- Adaptability, ability to manage complexity, and self-direction
- Curiosity, creativity, and risk-taking
- Higher order thinking and sound reasoning
- Teaming and collaboration
- Personal and social responsibility
- Interactive communication
- Prioritizing, planning, and managing for results
- Effective use of real-world tools
- High quality results with real-world application

The use of technology is critical for responsible citizenship. Citizens must know how to read and comprehend narratives from a variety of sources, understand and use data effectively, as well as know how to compile and present data so they are valid and reliable. The development of vocabulary, critical to understanding and communication, is an important component of the social studies curriculum. Finally writing, especially expository, informational and persuasive writing, is an empowering skill needed by all citizens. The ability to clearly communicate one’s ideas and reasoned viewpoints is the hallmark of a responsible citizen.

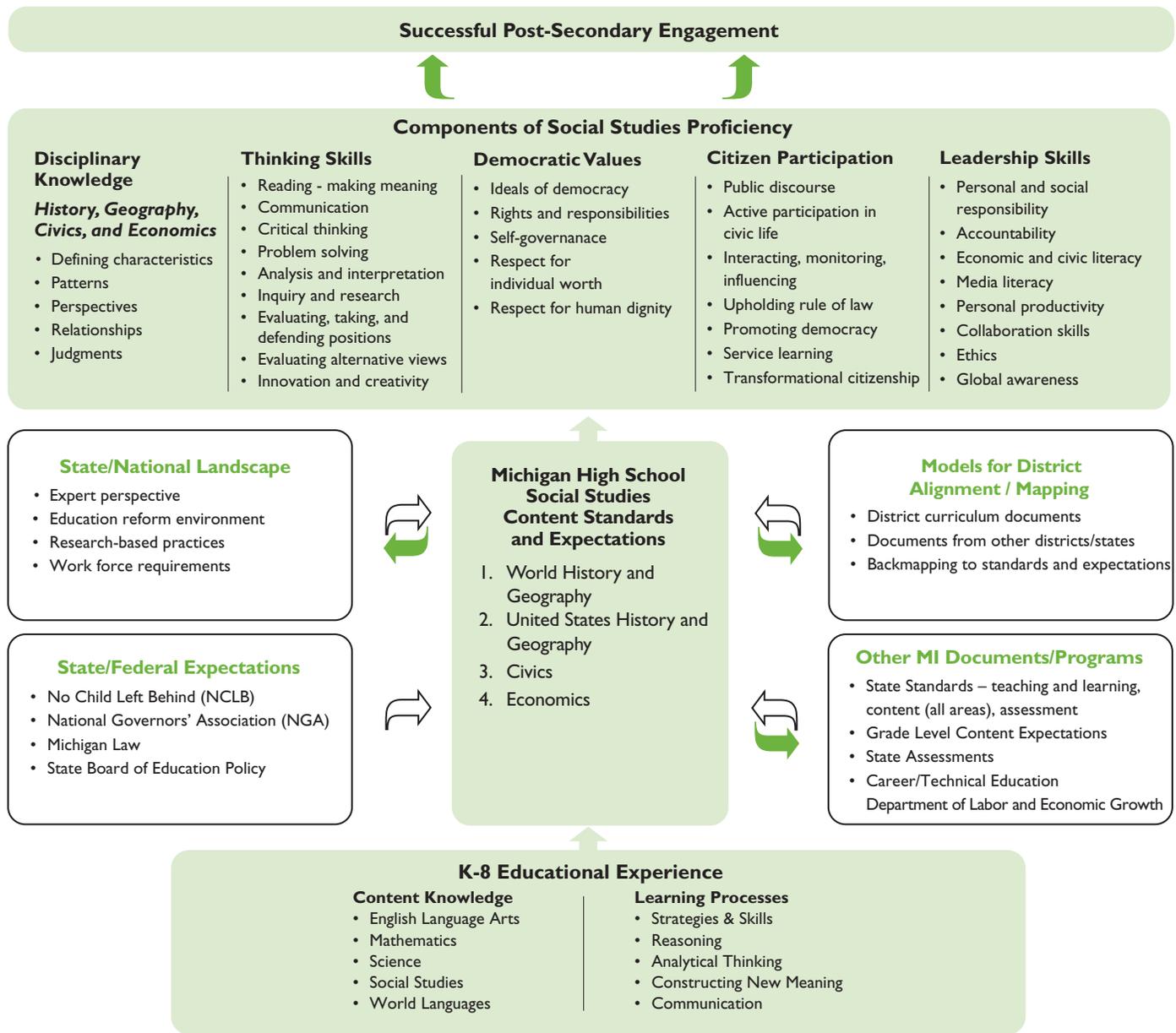
A companion document will address the correlation of social studies expectations with those of technology, reading, writing, mathematics, science, the arts, and the 21st Century Skills. Each of these subjects and literacies is necessary to reach the goal of the social studies curriculum — responsible citizenship.

Preparing Students for Successful Post-Secondary Engagement

As educators use these standards and expectations to develop rigorous and relevant units of instruction, powerful and engaging learning activities, and challenging high school curricula, it is critical to keep in mind that content knowledge alone will not provide adequate preparation for success in entry-level university courses or entry-level positions in today’s workforce.

Successful post-secondary engagement requires that students must be able to apply knowledge in new situations; to solve problems by generating new ideas; to make connections between what they read and hear in class, the world around them, and the future; and through their work, develop leadership qualities while still in high school.

Therefore, educators must model for and develop in students the knowledge, skills, and dispositions that will result in responsible citizenship and successful post-secondary engagement.



Michigan High School Social Studies

ECONOMICS

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ECONOMICS

Understanding economics – what some people call “economic literacy”– is becoming essential for citizens in our national and increasingly interconnected world economy. Productive members of society must be able to identify, analyze and evaluate the causes and consequences of individual economic decisions and public policy including issues raised by constraints imposed by scarcity, how economies and markets work, and the benefits and costs of economic interaction and interdependence. Such literacy includes analysis, reasoning, problem solving, and decision making that helps people function as consumers, producers, savers, investors, and responsible citizens.

Students who meet these content expectations should understand how economies function and apply the concepts and principles of economics to their lives as individuals and as citizens. Understanding and applying these concepts and principles should help students make sense of daily events and enable them to analyze, investigate and develop reasoned thinking about economic challenges and public policies. To cite the “Goals 2000: Educate America Act” of 1994, the study of economics (among other subjects) should ensure that students learn to “use their minds well, so they may be prepared for responsible citizenship, further learning, and productive employment in our Nation’s modern economy.”

These content expectations include the principles of economics agreed on and viewed as essential by most economists, as reflected in National Content Standards in Economics (1997), the NAEP Economics framework (2006), and most state benchmarks in economics. The economics content is necessary for the understanding and the analysis of a wide variety of applications, including those involving individual and household choices, personal finance issues, business and entrepreneurial decisions, and public policy. Students analyze and study economic concepts and principles in three contextual areas: individual and household context, a business context, and a government or public context which are focused around three content areas: the Market Economy, National Economy, and the International Economy.

Content in the Market Economy includes much of what is traditionally described as microeconomics. The core content focuses on the importance of scarcity and limited resources, the roles of economic institutions, such as legal systems, corporations and labor unions, the influence on prices and supplies of the interaction of buyers and sellers, trade-offs, and incentives in people’s behavior.

Content in the National Economy includes much of what is traditionally described as macroeconomics. The National Economy content area includes the concepts, terminology, and data used to identify and describe inflation, unemployment, output, and growth, the factors that cause changes in those conditions, the role of money and interest rates in an economy, and the mechanics and the appropriate uses of Federal Reserve monetary policies, and federal government fiscal policies.

Content in the International Economy includes the reasons for individuals and businesses to specialize and trade; the rationale for specialization and trade across international borders; and the comparison of the benefits and costs of that specialization and resulting trade for consumers, producers, and governments.

The expectations are organized around (1) Economic Choices, (2) Role of Government, (3) Economic systems, (4) Trade, and (5) Personal Finance.

Economics Content Expectations

Economics Knowledge

- Understand the fundamental constraints imposed by limited resources, the resulting choices people have to make, and the trade-offs they face
- Understand how economies and markets work and how people function within them
- Understand the benefits and costs of economic interaction and interdependence among people and nations.

Intellectual Skills

- economic reasoning
- problem solving
- decision making
- analyzing real-life situations

The Market Economy

- relevance of limited resources
- how individuals and institutions make and evaluate decisions
- the role of incentives
- how buyers and sellers interact to create markets
- how these markets allocate resources
- the economic role of government in a market economy
- evaluation of short-run and long-run decisions
- the comparison of benefits and costs when making a decision
- concepts – scarcity, choice, opportunity costs, supply and demand, profit, competition, incentives, individual incomes

The National Economy

- the data that describe the overall conditions in the U.S. economy
- the factors that cause changes in those conditions
- the role of money and interest rates in an economy
- the appropriate policy alternatives
- mechanics and appropriate use of Federal Reserve monetary and federal government fiscal policies
- how economies use different systems of allocating goods and services and can compare the benefits and the costs of different methods
- the economic role of government as a provider of goods and services in the national economy
- concepts – unemployment, inflation, output, economic growth, money, and gross domestic product (GDP), interest rates

International Economy

- reasons for individuals and businesses to specialize and trade, and the rationale for specialization and trade across international borders
- an ability to compare the benefits and costs of that specialization and resulting trade for consumers, producers, and governments
- an understanding that this trade brings additional complications
- benefit and cost comparison of policies that alter trade barriers between nations
- the processes and consequences of exchange rate determination
- concepts – voluntary exchange, specialization, interdependence, imports and exports, and barriers to trade (tariffs, quotas)

*adapted from *Economics Framework for the 2006 NAEP*

E1 - Choices of Businesses and Other Economic Organizations

Explain and demonstrate how economic organizations confront scarcity and market forces when organizing, producing, using, and allocating resources to supply the marketplace.

E2 - Role of Government

Analyze how governmental decisions on taxation, spending, protections, and regulation impact macroeconomic goals, including what is produced, how it is produced, and who receives the benefits of production.

E3 - Economic Systems

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

E4 - Trade

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

E5 - Personal Finance

Describe and demonstrate how the economic forces of scarcity and opportunity costs impact individual and household choices including the management of personal financial resources; consumer decisions regarding the purchase, use, and disposal of goods and services; and the economic well-being of individuals and household.

National Economics Standards Categories

Scarcity and Opportunity Costs
Economic Systems
Prices, Supply and Demand
Market Structures, Exchanges, and Characteristics of Market Economy
Government in U. S. Economy
U.S. Fiscal and Monetary Policy
Economic Indicators
International Economics

Components of Economics Literacy

The ability to identify, analyze, and evaluate the consequences of individual decisions and public policy.

GENERAL SOCIAL SCIENCE KNOWLEDGE, PROCESSES, AND SKILLS

- K1 General Knowledge
- P1 Reading and Communication
- P2 Inquiry, Research, and Analysis
- P3 Public Discourse and Decision Making
- P4 Citizen Involvement

Economics Secondary Content Statement Outline

E1 – CHOICES OF BUSINESSES AND OTHER ECONOMIC ORGANIZATIONS

- 1.1 Explain and demonstrate how economic organizations confront scarcity and market forces when organizing, producing, using and allocating resources to supply the marketplace.

E2 – ROLE OF GOVERNMENT

- 2.1 Analyze how governmental decisions on taxation, spending, protections, and regulation impact macroeconomic goals, including what is produced, how it is produced, and who receives the benefits of production.

E3 – ECONOMIC SYSTEMS

- 3.1 Explain how different economic systems, including free market, command and mixed systems, coordinate and facilitate the exchange, production, distribution, and consumption of goods and services.

E4 – TRADE

- 4.1 Describe how trade generates economic development and interdependence; and analyze the resulting challenges and benefits for individuals, producers, and government.

E5 – PERSONAL FINANCE

- 5.1 Describe and demonstrate how the economic forces of scarcity and opportunity costs impact individual and household choices including the management of personal financial resources, consumer decisions regarding the purchase, use, and disposal of goods and services, and the economic well-being of individuals and household.

General Social Studies Knowledge, Processes, and Skills

General Social Science Knowledge – embedded in economics standards and expectations

- KI.1 Know the defining characteristics of the discipline of economics.
- KI.2 Know that each discipline is subject to criticisms and limitations; be aware of the primary criticisms and limitations of economics.
- KI.3 Understand and analyze economic relationships, patterns, and trends.
- KI.4 Understand economic perspectives.
- KI.5 Understand the diversity of human beings and human cultures.
- KI.6 Analyze events and *circumstances* from diverse perspectives.
- KI.7 Understand social problems, social structure, institutions, class, groups, and interaction.
- KI.8 Apply social studies concepts to *better understand* major current local, national, and world events, issues, and problems.
- KI.9 Integrate concepts from at least two different social studies disciplines.
- KI.10 Understand significant concepts, generalizations, principles, and theories of economics.

Social Studies Procedures and Skills – embedded in economics standards and expectations

PI Reading and Communication – read and communicate effectively.

- PI.1 Use close and critical reading strategies to read and analyze complex texts pertaining to social science; attend to nuance, make connections to prior knowledge, draw inferences, and determine main idea and supporting details.
- PI.2 Analyze point of view, context, and bias to interpret primary and secondary source documents.
- PI.3 Understand that diversity of interpretation arises from frame of reference.
- PI.4 Communicate clearly and coherently in writing, speaking, and visually expressing ideas pertaining to social science topics, acknowledging audience and purpose.
- PI.5 Present a coherent thesis when making an argument, support with evidence, articulate and answer possible objections, and present a concise, clear closing.

P2 Inquiry, Research, and Analysis – critically examine evidence, thoughtfully consider conflicting claims, and carefully weigh facts and hypotheses; engage in reasoned and informed decision making that should characterize each citizen's participation in American democracy.

- P2.1 Understand the scientific method of inquiry to investigate social scientific and historical problems.
- P2.2 Read and interpret data in tables and graphs.
- P2.3 Know how to find and organize information from a variety of sources, analyze, interpret, support interpretations with evidence, critically evaluate, and present the information orally and in writing; report investigation results effectively.
- P2.4 Use multiple perspectives and resources to identify and analyze issues appropriate to the social studies discipline being studied.
- P2.5 Use deductive and inductive problem-solving skills as appropriate to the problem being studied.

P3 Public Discourse and Decision Making

- P3.1 Clearly state an issue as a question of public policy, trace the origins of an issue, analyze various perspectives, and generate and evaluate possible alternative resolutions.
- P3.2 Deeply examine policy issues in group discussions and debates to make reasoned and informed decisions.
- P3.3 Write persuasive/argumentative essays expressing and justifying decisions on public policy issues.

P4 Citizen Involvement – Responsible Personal Conduct

- P4.1 Act out of respect for the rule of law and hold others accountable to the same standard.
- P4.2 Plan and conduct activities intended to advance views on matters of public policy, report the results, and evaluate effectiveness.

Disciplinary Knowledge – Economics

- E1 Choices of Businesses and Other Economic Organizations
- E2 Role of Government
- E3 Economic Systems
- E4 Trade
- E5 Personal Finance

ECONOMICS I – CHOICES OF BUSINESSES AND OTHER ECONOMIC ORGANIZATIONS

I.1 Choices of Businesses and Other Economic Organizations

Explain and demonstrate how economic organizations confront scarcity and market forces when organizing, producing, using, and allocating resources to supply the marketplace.

- I.1.1 Use examples and case studies to evaluate the impact of marginal benefit and marginal cost of an activity on choices and decisions made by business and other economic organizations.**
- I.1.2 Evaluate examples of entrepreneurship connected to starting a business including the entrepreneur’s evaluation of resources (land, labor, and capital), assessment of anticipated market opportunities, and subsequent creation of a business plan for maximizing profits and market penetration.**
- I.1.3 Analyze and compare the different goals and constraints facing small and large firms, labor unions, educational institutions, and not-for-profit organizations, and explain how these different structures influence people’s behavior.**
- I.1.4 Using a case study, identify and analyze the transaction costs associated with the purchase of a good or service, and analyze the impact on business exchange (e.g., change in transportation efficiency and costs, growth in advertising, and ease in credit for consumers).**
- I.1.5 Apply the concepts of opportunity cost and comparative advantage to a business case study.**
- I.1.6 Using the law of supply, analyze the likely change in supply when there are changes in costs of the productive resources (e.g., labor, land, capital including technology), or the profit opportunities available to producers by selling other goods or services, or the number of sellers in a market.**
- I.1.7 Using the law of demand, analyze the likely change in demand when there are changes in availability of alternative (substitute or complementary) goods or services, or changes in the number of buyers in a market created by such things as change in income or availability of credit.**
- I.1.8 Analyze how prices change through the interaction of buyers and sellers in a market (supply and demand), and explain how incentives affect economic organizations.**

ECONOMICS (CONT.)

ECONOMICS 2 – ROLE OF GOVERNMENT

2.1 Role of Government

Analyze how governmental decisions on taxation, spending, protections, and regulation impact macroeconomic goals.

- 2.1.1 Compare and contrast differing perspectives on the role of the Federal government in achieving the macroeconomic goals of stable prices, low unemployment, and economic growth.
- 2.1.2 Differentiate and explain which institutions are responsible for monetary and fiscal policy and explain the creation and characteristics of money, and the relationships between money supply, inflation, and recessions.
- 2.1.3 Analyze the consequences – intended and unintended – of using various tax and spending policies to achieve macroeconomic goals of stable prices, low unemployment, and economic growth.
- 2.1.4 Explain the roles and responsibilities of the Federal Reserve System and compare and contrast the consequences – intended and unintended – of different monetary policy actions of the Federal Reserve Board as a means to achieve macroeconomic goals of stable prices, low unemployment, and economic growth.
- 2.1.5 Analyze the impact on consumers, producers, workers, savers, and investors of a change in public policy such as an increase in the minimum wage, a new tax policy, or a change in interest rates.
- 2.1.6 Analyze the role of government in protecting consumers and enforcing contracts, including property rights, and explain how this role influences the incentives (or disincentives) for people to produce and exchange goods and services.
- 2.1.7 Using data, analyze how changes in the level of Gross Domestic Product (GDP) and government policies (e.g., changes in government spending or taxing) can influence personal income.
- 2.1.8 Analyze the ways in which governments generate revenue on consumption, income and wealth (e.g., taxes, tariff, fees) and the use of that revenue for public services (e.g., education, parks, and highways).

ECONOMICS (CONT.)

ECONOMICS 3 – ECONOMIC SYSTEMS

3.1 Economic Systems

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

- 3.1.1** Using the concepts of supply, demand, markets, price, equilibrium and elasticity, analyze how prices change through the interaction of buyers and sellers in a market, and explain how incentives affect choices of individual buyers and sellers.
- 3.1.2** Identify the three macroeconomic goals of an economic system (stable prices, low unemployment, and economic growth).
- 3.1.3** Analyze and describe how the global economy has changed the interaction of buyers and sellers, such as in the automobile industry.
- 3.1.4** Explain buyers' responses to incentives and producers' responses to changing market conditions in the clothing industry.
- 3.1.5** Analyze the changing relationship between the American economy and the global economy including, but not limited to, the increasing complexity of American economic activity (e.g., outsourcing, off-shoring, and supply-chaining) generated by the expansion of the global economy.
- 3.1.6** Using the concept of circular flow, analyze the roles and relationships between households, business firms, labor unions, financial institutions, and government and non-government agencies in the economy of the United States.
- 3.1.7** Compare how the roles and relationships of the economic sectors of the American economy have changed in the growing global marketplace.
- 3.1.8** Analyze the impact of transitional economies, such as in China and India, on the global economy in general and the American economy in particular.
- 3.1.9** Compare and contrast a free market economic system with other economic systems; compare and contrast how the economies of North Korea and Cuba differ from economies of the U.S. or western Europe in the ways they answer the three basic economic questions of what to produce, how to produce, and for whom to produce?
- 3.1.10** Analyze how the decisions made by a country's central bank impact the economy, including the expansion and contraction of its money supply.
- 3.1.11** Analyze how the banking system and decisions by financial institutions (e.g., commercial banks, credit unions) regarding deposits and loans, impact the expansion and contraction of the money supply.
- 3.1.12** Analyze per capita real GDP data for several periods in history, identifying periods during which the United States experienced rapid economic growth; identify the factors that contributed to this growth.
- 3.1.13** Using current and historical data on real per capita GDP for the United States, and at least three other countries (e.g., Japan, Somalia, and South Korea) construct a relationship between real GDP and standard of living.
- 3.1.14** Analyze the character of different types of unemployment including frictional, structural, and cyclical.
- 3.1.15** Using a number of indicators, such as GDP, per capita GDP, unemployment rates, and Consumer Price Index, analyze the characteristics of business cycles, including the characteristics of peaks, recessions, and expansions.

ECONOMICS (CONT.)

ECONOMICS 4 – TRADE

4.1 Trade

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

- 4.1.1 Analyze the strengths and weaknesses of major economic systems and the role of voluntary exchange in economic growth.**
- 4.1.2 Analyze the relationship between economic growth in southern African countries and the factors commonly associated with market economies, including property rights, institutions promoting saving and investing in human capital and physical capital, and free trade.**
- 4.1.3 Explain how China is using specialization and interdependence to transform from an agrarian to an industrial based economy.**
- 4.1.4 Compare the benefits and costs of policies that alter trade between nations, such as tariffs and quotas.**
- 4.1.5 Evaluate the diverse impact of trade and finance policies of the World Trade Organization, World Bank, or International Monetary Fund on developing economies of Africa, and the developed economies of the United States and Western Europe.**
- 4.1.6 Describe the effects of currency exchange, interest rates and monetary policy on world trade domestic economic activity.**
- 4.1.7 Describe how interest rates in the United States impact the value of the dollar against other currencies (the Euro), impacting the value of goods and services of the United States in other markets.**
- 4.1.8 Participate in a trading simulation representing different countries with specific goods to sell and specific goods they want to buy, and analyze the choices and consequences of those choices for importing, exporting, or borrowing.**
- 4.1.9 Using a case study, analyze the political and economic implications of a proposed ban or restriction on an imported good.**
- 4.1.10 Analyze the effect on the economy when desired expenditures for consumption, investment, government spending, and net exports are less than the value of a nation's output of final goods and services.**

ECONOMICS (CONT.)

ECONOMICS 5 – PERSONAL FINANCE¹

5.1 Personal Finance¹ (Recommended)

Describe and demonstrate how the economic forces of scarcity and opportunity costs impact individual and household choices.

- 5.1.1 Apply concepts of scarcity and opportunity costs to personal financial decision making.
- 5.1.2 Develop a personal finance strategy for earning, spending, saving and investing resources.
- 5.1.3 Identify the alternatives, choices, costs and benefits involved within the development of a personal finance strategy.
- 5.1.4 Evaluate key components of personal finance including, but not limited to, money management, saving and investment, spending and credit, and income.
- 5.1.5 Evaluate the key components of personal finance including, but not limited to, mortgages, retirement, investing (e.g., 401K, IRAs), and insurance.
- 5.1.6 Using a problem, alternatives, criteria, evaluation decision-making model, evaluate the different aspects of personal finance including careers, savings and investing tools, and different forms of income generation.
- 5.1.7 Using examples and case studies, evaluate the impact of marginal benefit and marginal cost of an activity on individual and household choices and decisions.
- 5.1.8 Explain that comparing the benefits and costs of different allocation methods in choosing the most appropriate method for some specific problem can result in more effective allocations and a more effective overall allocation system.

¹There is a growing consensus that the majority of the items in this section belongs either in Middle School or in another high school course, such as Consumer Math or Consumer Economics. Many schools currently meet this set of expectations in courses called Consumer Math, Business, Family Living, Personal Finance, and Consumer Skills. However, it is recognized that effective personal finance is essential for a healthy market economy. Therefore, these content expectations are recommended.