

Social Studies
Grade-Level Expectations: Free Enterprise

Economics (Core Course: Free Enterprise)

Economics

Fundamental Economic Concepts

1. Apply fundamental economic concepts to decisions about personal finance (E-1A-H1)
2. Define scarcity (E-1A-H1)
3. Identify factors that drive economic decisions (e.g., incentives, benefits, costs, trade-offs, consequences) (E-1A-H1)
4. Analyze an economic choice at the personal, family, or societal level to determine its opportunity cost (E-1A-H1)
5. Explain how the scarcity of natural resources leads to economic interdependence (E-1A-H1)
6. Identify the four basic economic questions (E-1A-H1)
7. Define *productivity* and characterize the relationship between productivity and standard of living (E-1A-H2)
8. Explain the role of marketing and channels of distribution in economic decisions (E-1A-H2)
9. Identify actions or conditions that increase productivity or output of the economy (E-1A-H2)
10. Explain the skills, knowledge, talents, personal characteristics, and efforts likely to enhance prospects of success in finding a job in a particular field (E-1A-H3)
11. Explain the types of jobs important to meeting the needs of Louisiana industries and an information-based society (E-1A-H3)
12. Evaluate various careers in terms of availability, educational and skill requirements, salary and benefits, and intrinsic sources of job satisfaction (E-1A-H3)
13. Compare contemporary and historic economic systems (e.g., ownership and control of production and distribution, determination of wages) (E-1A-H4)
14. Explain the advantages and disadvantages of given market structures (E-1A-H5)
15. Explain factors affecting levels of competition in a market (e.g., number of buyers and sellers, profit motive, collusion among buyers or sellers, presence of cartels) (E-1A-H5)
16. Explain the effects of competition on producers and consumers (E-1A-H5)
17. Analyze the role of various economic institutions in economic systems (E-1A-H6)
18. Explain the role of government as producer, employer, and consumer in economic systems (E-1A-H6)
19. Analyze the importance of labor-management relations and the effects of given labor and management practices on productivity or business profitability (E-1A-H6)
20. Compare and contrast characteristics of various forms of business ownership (E-1A-H6)
21. Explain ways in which businesses have changed to meet rising production costs or to compete more effectively in a global market (E-1A-H6)
22. Analyze the role of banks in economic systems (e.g., increasing the money supply by making loans) (E-1A-H7)
23. Describe the functions and purposes of the financial markets (E-1A-H7)
24. Compare and contrast credit, savings, and investment services available to the consumer from financial institutions (E-1A-H7)
25. Apply an economic concept to analyze or evaluate a given historical economic issue or situation (e.g., causes of the Great Depression, how the New Deal changed the role of the federal government) (E-1A-H8)

Social Studies
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26. Interpret information about a current economic system undergoing change from a largely command or traditional system to a more mixed system (e.g., Eastern European countries, China, other developing economies) (E-1A-H8)

Individuals, Households, Businesses, and Governments

27. Explain, analyze, and apply principles of supply and demand, including concepts of price, equilibrium point, incentives, and profit (E-1B-H1)
28. Identify factors that cause changes in supply or demand for a product (e.g. complements, substitutes) (E-1B-H1)
29. Explain the role of *factors of production* in the economy (E-1B-H2)
30. Identify factors affecting production/allocation of goods/services and characterize their effects (E-1B-H2)
31. Identify the difference between monetary and non-monetary incentives and how changes in incentives cause changes in behavior (E-1B-H2)
32. Analyze the circular flow of goods and services and money payments from a diagram (E-1B-H2)
33. Identify various forms of taxation (E-1B-H3)
34. Describe the impact of given forms of taxation (E-1B-H3)
35. Describe the effects of governmental action or intervention in a market economy (E-1B-H3)
36. Describe major revenue and expenditure categories and their respective proportions of local, state, and federal budgets (E-1B-H3)
37. Predict how changes in federal spending and taxation would affect budget deficits and surpluses and the national debt (E-1B-H3)
38. Evaluate the impact of policies related to the use of resources (e.g., water use regulations, policies on scarce natural resources) (E-1B-H3)
39. Explain the causes of global economic interdependence (E-1B-H4)
40. Describe the worldwide exchange of goods and services in terms of its effect in increasing global interdependence and global competition (E-1B-H4)
41. Examine fundamental concepts of currency valuation and foreign exchange and their role in a global economy (E-1B-H4)
42. Explain how the economy of one country can affect the economies of other countries or the balance of trade among nations (E-1B-H4)
43. Explain the role of the International Monetary Fund in supporting world economies (E-1B-H4)
44. Identify and evaluate various types of trade barriers among nations (E-1B-H5)
45. Take and defend a position on a trade policy or issue (e.g., NAFTA, G8, European Union) (E-1B-H5)
46. Evaluate the role and importance of Louisiana ports and products in the national and international economy (E-1B-H6)

The Economy as a Whole

47. Explain the meaning or use of various economic indicators and their implications as measures of economic well-being (E-1C-H1)
48. Define productivity and characterize the relationship between productivity and standard of living (E-1C-H1)
49. Interpret various economic indicators used in a chart, table, or news article (E-1C-H1)
50. Draw conclusions about two different economies based on given economic indicators (E-1C-H1)

Social Studies
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51. Explain how inflation and deflation are reflected in the Consumer Price Index (E-1C-H2)
52. Explain the impact of inflation/deflation on individuals, nations, and the world, including its impact on economic decisions (E-1C-H2)
53. Describe the effects of interest rates on businesses and consumers (E-1C-H2)
54. Predict the consequences of investment decisions made by individuals, businesses, and government (E-1C-H2)
55. Predict how interest rates will act as an incentive for savers and borrowers (E-1C-H2)
56. Explain various causes and consequences of unemployment in a market economy (E-1C-H3)
57. Analyze regional, national, or demographic differences in rates of unemployment (E-1C-H3)
58. Analyze the relationship between the business cycle and employment (E-1C-H3)
59. Explain the meaning of *underemployment* and analyze its causes and consequences (E-1C-H3)
60. Explain factors contributing to unequal distribution of income in a market economy (E-1C-H3)
61. Interpret a chart or graph displaying various income distributions (e.g., in the United States vs. the Third World, various groups within a country) (E-1C-H3)
62. Distinguish monetary policy from fiscal policy (E-1C-H4)
63. Explain the role of the Federal Reserve System as the central banking system of the United States (E-1C-H4)
64. Explain the role of regulatory agencies in the U.S. economy (E-1C-H4)
65. Explain the role of the Federal Deposit Insurance Corporation (FDIC) (E-1C-H4)