

## Wallingford Public Schools - HIGH SCHOOL COURSE OUTLINE

<b>Course Title:</b> Economics	<b>Course Number:</b> 3533
<b>Department:</b> Social Studies	<b>Grade(s):</b> 11-12
<b>Level(s):</b> Academic	<b>Credit:</b> ½
<b>Course Description</b> This course explains how and why people and societies make economic choices. Students will examine macroeconomic and microeconomic principles in order to understand the fundamentals of the American and global economic systems. Real world application and examples of economic concepts such as supply and demand, gross domestic product, business functions, inflation, and trade will be explored.	
<b>Required Instructional Materials</b> <i>Contemporary Economics</i> , William A. McEachern, Thompson Publishers, 2005	<b>Completion/Revision Date</b> Revisions Approved by Board of Education on September 21, 2009

### **Mission Statement of the Curriculum Management Team**

The mission of the Social Studies Curriculum Management Team is to provide students with the opportunity to gain fundamental understanding of history, civics, economics, cultures, geography, and the social sciences so that they develop into responsible citizens who use analytical reasoning and historical thinking to make informed decisions about the issues that face our nation and world today.

### **Enduring Understandings for the Course**

*Students will understand that:*

#### **Content**

- Limited resources and unlimited wants cause people to make choices and face trade-offs.
- Economic decisions and actions result in both intended and unintended consequences.
- People respond predictably to incentives.
- Parties trade voluntarily when they expect to gain.
- Supply and demand determines the value and quantity of goods and services.
- Government plays a role in mandating political, social, and economic policy.
- Government policies influence market outcomes.
- A country's standard of living depends on its ability to produce goods and services.
- There is both independence and interdependence among consumers, businesses, and government.
- Society faces a short-run tradeoff between inflation and unemployment.

Skills
<ul style="list-style-type: none"> <li>Analyzing data is critical for problem solving.</li> </ul>
<ul style="list-style-type: none"> <li>Determining cause and effect relationships is essential.</li> </ul>
<ul style="list-style-type: none"> <li>Formulating hypotheses based on a variety of economic data and source material enhances problem solving.</li> </ul>
<ul style="list-style-type: none"> <li>Effective communication relies on the purposeful use of information in a format appropriate to the task and the audience.</li> </ul>

## **LEARNING STRAND**

### 1.0 Critical Thinking and Communication Skills

NOTE: This learning strand should be taught through the integration of the other learning strands included in this course. It is not meant to be taught in isolation as a separate unit.

#### **ENDURING UNDERSTANDING(S)**

*Students will understand that:*

- Analyzing data is critical for problem solving.
- Determining cause and effect relationships is essential.
- Formulating hypotheses based on a variety of economic data and source material enhances problem solving.
- Effective communication relies on the purposeful use of information in a format appropriate to the task and the audience.

#### **ESSENTIAL QUESTION(S)**

- How does data contribute to problem solving?
- How do graphs express ideas that might be less clear in words or equations?
- What is the significance of cause and effect relationships?
- How can formulas enhance understanding of data?
- Why is it important to form and test hypotheses?
- How do I determine the appropriate presentation format for my task and audience?

#### **LEARNING OBJECTIVES** *The student will:*

- 1.1 Analyze data for its relevance to solving problems.
- 1.2 Express concepts graphically to demonstrate understanding.
- 1.3 Use Monetary/Fiscal Policy to show cause and effect relationships.
- 1.4 Debate solutions for contemporary economic issues.
- 1.5 Support a position with accurate and relevant information.
- 1.6 Evaluate the validity of information, testing its credibility.

#### **INSTRUCTIONAL SUPPORT MATERIALS**

- *See other learning strands*

#### **SUGGESTED INSTRUCTIONAL STRATEGIES**

- Analyze data/information from tables and graphs
- Graph concepts
- Provide solutions to economic problems
- Communicate clearly and effectively utilizing economic terms
- Research current economic issues

#### **SUGGESTED ASSESSMENT METHODS**

- Participation
- Tests/quizzes
- Projects
- Problem-solving
- Graphing
- Student presentations

## **LEARNING STRAND**

### 2.0 The Fundamentals of Economics

#### **ENDURING UNDERSTANDING(S)**

*Students will understand that:*

- Limited resources and unlimited wants cause people to make choices and face trade-offs.
- People respond predictably to incentives.
- Supply and demand determines the value and quantity of goods and services.

#### **ESSENTIAL QUESTION(S)**

- How do societies produce goods and services with a limited amount of resources?
- What is the effect of opportunity cost on decision making?
- How can the production possibilities curve be used to illustrate scarcity, choices, and opportunity cost?
- Why is market equilibrium important to supply and demand?
- How do markets benefit the organization of economic activity?
- How do economic systems affect your life and the lives of others?

#### **LEARNING OBJECTIVES** *The student will:*

- 2.1 Analyze the economic problem of scarcity.
- 2.2 Assess how opportunity cost affects decision making.
- 2.3 Manipulate the production possibilities curve to illustrate scarcity, choices, and opportunity cost.
- 2.4 Analyze the supply and demand model to determine its impact on output and prices.
- 2.5 Apply economic concepts to personal choices.

#### **INSTRUCTIONAL SUPPORT MATERIALS**

- Econextra.swlearning.com
- *Fundamentals of Economics*, Daniel Francis Hess, Center for Learning, 2001
- *Economics - Macro and Micro*, Center for Learning
- *Economics Made Easy*, Interact Publishers, 1994
- <http://lei.ncee.net/interactives/stockgame/> - The Stock Market Game, National Council on Economic Education
- *The Great Economics Mysteries Book*, National Council on Economic Education, Mark C. Schug & Richard D. Western
- *National Council on Economic Education: Macroeconomics - Student Activities*. John S. Morton, National Council on Economic Education
- *National Council on Economic Education: Microeconomics - Student Activities*. John S. Morton, National Council on Economic Education
- *Commanding Heights: The Battle for the World Economy*, Set of 3 DVDs
- *The Wall Street Journal*
- *Record-Journal Newspaper*
- *Freakonomics*, Steven D. Levitt & Stephen J. Dubner; William Morrow Publishing, 2005

	<p><b><u>SUGGESTED INSTRUCTIONAL STRATEGIES</u></b></p> <ul style="list-style-type: none"> <li>• Use visuals to interpret economic data and draw conclusions.</li> <li>• Apply the concepts of scarcity and opportunity cost to everyday situations. (<i>National Council on Economic Education: Macroeconomics</i>)</li> <li>• Show movement along a demand curve and shift a demand curve. (<i>National Council on Economic Education: Macroeconomics</i>)</li> <li>• Construct a supply curve and analyze the forces that shift the supply curve. (<i>National Council on Economic Education: Macroeconomics</i>)</li> <li>• Determine the equilibrium price and quantity when given the demand for and supply of a good or commodity. (<i>National Council on Economic Education: Macroeconomics</i>)</li> <li>• Apply supply and demand concepts to current news articles</li> <li>• Debate the ethics of a market for human organ donation (<a href="http://Econextra.swlearning.com">Econextra.swlearning.com</a>)</li> <li>• Identify the opportunity cost of various daily activities, (<i>Center for Learning</i>)</li> <li>• Complete tax return forms to understand how economics impact personal choices</li> <li>• Perform a consumption analysis: how much does a typical American need to live a comfortable life? (<i>Center for Learning</i>)</li> <li>• The Big Apple: A Market Simulation – students take on the roles of apple buyers and sellers and operate an apple market to experience how a market price is decided through bargaining, <i>Civics: Government and Economics in Action – Simulations and Debates Teacher Resource</i>, Prentice Hall</li> </ul> <p><b><u>SUGGESTED ASSESSMENT METHODS</u></b></p> <ul style="list-style-type: none"> <li>• Graph and explain supply and demand curves</li> <li>• Critical thinking problems</li> <li>• Debates on economic issues</li> <li>• Student presentations/projects</li> <li>• Writing assignments</li> <li>• Student participation</li> <li>• Simulations</li> <li>• Tests/quizzes</li> </ul>
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## **LEARNING STRAND**

### 3.0 Microeconomics

#### **ENDURING UNDERSTANDING(S)**

*Students will understand that:*

- Limited resources and unlimited wants cause people to make choices and face trade-offs.
- Economic decisions and actions result in both intended and unintended consequences.
- People respond predictably to incentives
- Government plays a role in mandating political, social, and economic policy.
- Supply and demand determines the value and quantity of goods and services.

#### **ESSENTIAL QUESTION(S)**

- How does the market determine pricing and production?
- What is the role of competition in a market economy?
- How can government policy be implemented to promote competition?
- What decisions do companies make in terms of production and pricing?
- What should government policy be in addressing the problem of economic inequality?
- Why do markets sometimes fail?
- Why do markets create negative and positive externalities (results)?
- What is the role of capital/money in the development and growth of business?
- How do firms maximize profit?

#### **LEARNING OBJECTIVES** *The student will:*

- 3.1 Identify different types of market structures.
- 3.2 Examine how firms maximize profit.
- 3.3 Analyze government policy options in addressing the problem of economic inequality.
- 3.4 Analyze the role that externalities play in markets.
- 3.5 Understand that economic decision making occurs through rational thinking.

#### **INSTRUCTIONAL SUPPORT MATERIALS**

- Econextra.swlearning.com
- *Fundamentals of Economics*, Daniel Francis Hess, Center for Learning, 2001
- *Economics - Macro and Micro*, Center for Learning
- <http://lei.ncee.net/interactives/stockgame/> - The Stock Market Game, National Council on Economic Education
- *National Council on Economic Education: Microeconomics - Student Activities*. John S. Morton, National Council on Economic Education
- *National Council on Economic Education: Macroeconomics – Teacher Resource Guide*. John S. Morton, National Council on Economic Education
- *Commanding Heights: The Battle for the World Economy*, DVD set
- *The Wall Street Journal*
- *Record-Journal Newspaper*
- *Freakonomics*, Steven D. Levitt & Stephen J. Dubner; William Morrow Publishing, 2005
- Congressional Budget Office – [www.cbo.gov/](http://www.cbo.gov/)
- IRS website – [www.irs.gov/](http://www.irs.gov/)

	<ul style="list-style-type: none"> <li>House &amp; Senate Appropriations Committees – <a href="http://appropriations.house.gov/">http://appropriations.house.gov/</a> <a href="http://appropriations.senate.gov/">http://appropriations.senate.gov/</a></li> <li>House Ways &amp; Means Committee – <a href="http://waysandmeans.house.gov/">http://waysandmeans.house.gov/</a></li> </ul> <p><b><u>SUGGESTED INSTRUCTIONAL STRATEGIES</u></b></p> <ul style="list-style-type: none"> <li>Research scenarios that involve OPEC and the world's oil supply</li> <li>Graph and explain the significance of market equilibrium in the labor market</li> <li>Apply and analyze opportunity costs to determine economic profit. (<i>National Council on Economic Education: Microeconomics</i>)</li> <li>Determine the effects of a pure monopoly on the price of a product, the quantity of the product produced, and the allocation of resources. (<i>National Council on Economic Education: Microeconomics</i>)</li> <li>Role-play various hypothetical scenarios considering the question: How Many Workers Should Be Hired? (<i>National Council on Economic Education: Microeconomics</i>)</li> <li>Compare and contrast wage rates and levels of employment in a variety of labor markets. (<i>National Council on Economic Education: Microeconomics</i>)</li> <li>Provide a case study on DeBeers diamonds and their monopolistic control of the diamond market</li> <li>Research major court cases and legislation that altered labor markets throughout U.S. history</li> <li>Use the Triangle Shirtwaist factory fire to analyze the changes to labor safety laws and how that affects wages and labor availability</li> <li>Create a flowchart that illustrates the process of raising capital for the development of business</li> <li>Research and assess how entrepreneurship impacts new and existing markets</li> <li>Rationalize recent economic decisions (student purchases)</li> </ul> <p><b><u>SUGGESTED ASSESSMENT METHODS</u></b></p> <ul style="list-style-type: none"> <li>Graphing exercises</li> <li>Critical thinking problems</li> <li>Debates</li> <li>Case study analysis</li> </ul>
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|  | <ul style="list-style-type: none"><li>• Writing assignments</li><li>• Venn diagrams</li><li>• Charts</li><li>• Role plays</li><li>• Tests/quizzes</li><li>• Flow charts</li></ul> |
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## **LEARNING STRAND**

### 4.0 Macroeconomics – Economic Performance

#### **ENDURING UNDERSTANDING(S)**

*Students will understand that:*

- Limited resources and unlimited wants cause people to make choices and face trade-offs.
- People respond predictably to incentives.
- Government policies influence market outcomes.
- A country's standard of living depends on its ability to produce goods and services.
- Society faces a short-run tradeoff between inflation and unemployment.

#### **ESSENTIAL QUESTION(S)**

- Why is GDP (Gross Domestic Product) such a significant economic measurement?
- Why is the CPI (Consumer Price Index) such a significant economic measurement?
- How is the CPI calculated?
- How is the money supply measured?
- Who gains and who loses through inflation?
- What is the significance of the aggregate demand/aggregate supply model?
- What will cause the aggregate demand curve to shift to the right or left?
- How do shifts in aggregate demand affect the level of output and the price level?
- What will cause the short-run aggregate supply curve to shift right or left?
- How do shifts in aggregate supply affect the level of output and the price level?

#### **LEARNING OBJECTIVES** *The student will:*

- 4.1 Examine how GDP measures the strength of the economy.
- 4.2 Determine how the CPI (Consumer Price Index) measures the cost of living.
- 4.3 Assess who gains and loses during inflationary periods.
- 4.4 Determine what would shift both the aggregate demand and aggregate supply curves.
- 4.5 Compare how the economy in the short run differs from the economy in the long run.
- 4.6 Assess how shifts in either aggregate demand or aggregate supply can cause booms and recessions.
- 4.7 Assess the short run trade-off between inflation and unemployment.

#### **INSTRUCTIONAL SUPPORT MATERIALS**

- *National Council on Economic Education: Macroeconomics - Student Activities.* John S. Morton, National Council on Economic Education
- *National Council on Economic Education: Macroeconomics – Teacher Resources.* John S. Morton, National Council on Economic Education
- [Econextra.swlearning.com](http://econextra.swlearning.com)
- *Fundamentals of Economics*, Daniel Francis Hess, Center for Learning, 2001
- *Economics - Macro and Micro*, Center for Learning
- <http://lei.ncee.net/interactives/stockgame/> - The Stock Market Game, National Council on Economic Education
- *Commanding Heights: The Battle for the World Economy*, DVD set
- *The Wall Street Journal*
- *Record-Journal Newspaper*
- Bureau of Commerce Economic indicators - [www.economicindicators.gov](http://www.economicindicators.gov)

#### **SUGGESTED INSTRUCTIONAL STRATEGIES**

	<ul style="list-style-type: none"> <li>• Illustrate the circular flow of goods, services, and payments (<i>National Council on Economic Education: Macroeconomics</i>)</li> <li>• Role play various scenarios considering the question “Who gains and who loses by unanticipated inflation?”</li> <li>• Match scenarios to the appropriate type of unemployment: frictional, cyclical, or structural</li> <li>• Determine the economic health of foreign countries based on economic data</li> <li>• Construct an aggregate demand / aggregate supply model</li> <li>• Calculate the CPI (Consumer Price Index) from economic data</li> </ul> <p><b><u>SUGGESTED ASSESSMENT METHODS</u></b></p> <ul style="list-style-type: none"> <li>• Graphing exercises</li> <li>• Charts/illustrations</li> <li>• Critical thinking problems</li> <li>• Student presentations/projects</li> <li>• Writing assignments</li> <li>• Student participation</li> <li>• Role plays</li> <li>• Tests/quizzes</li> </ul>
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## **LEARNING STRAND**

### 5.0 Macroeconomics – Monetary and Fiscal Policies and International Trade

#### **ENDURING UNDERSTANDING(S)**

*Students will understand that:*

- Limited resources and unlimited wants cause people to make choices and face trade-offs.
- People respond predictably to incentives.
- Parties trade voluntarily when they expect to gain.
- There is both independence and interdependence among consumers, businesses, and government.
- Government plays a role in mandating political, social, and economic policy.

#### **ESSENTIAL QUESTION(S)**

- What is the relationship between government taxation, spending policies, and aggregate demand?
- How do banks help create money (increase the money supply)?
- How are interest rates determined in the short run (money market)?
- What is the function of the Federal Reserve (Fed)?
- What tools does the Fed have at its disposal to control the supply of money in the economy?
- What happens when the government prints too much money?
- Why would the Fed want to pursue an expansionary or contractionary monetary policy?
- How do monetary and fiscal policies impact aggregate demand?
- What is the significance of comparative advantage?
- Why do nations trade?
- How are foreign currency exchange rates determined?
- How does the appreciation/depreciation of a nation's currency impact its level of imports and exports?

#### **LEARNING OBJECTIVES** *The student will:*

- 5.1 Determine how fiscal policy affects market outcomes.
- 5.2 Analyze how fiscal policy can be used to combat the problems of recession and/or inflation.
- 5.3 Assess the role of the Federal Reserve in the economy.
- 5.4 Evaluate the relationship between economic problems and the Federal Reserve's decision to either expand or contract the supply of money.
- 5.5 Analyze how monetary and fiscal policies impact aggregate demand.
- 5.6 Analyze how foreign currency rates are determined.
- 5.7 Evaluate the relationship between the

#### **INSTRUCTIONAL SUPPORT MATERIALS**

- [Econextra.swlearning.com](http://econextra.swlearning.com)
- *Fundamentals of Economics*, Daniel Francis Hess, Center for Learning, 2001
- *Economics - Macro and Micro*, Center for Learning
- <http://lei.ncee.net/interactives/stockgame/> - The Stock Market Game, National Council on Economic Education
- *Commanding Heights: The Battle for the World Economy*, DVD set
- *The Wall Street Journal*
- *Record-Journal Newspaper*
- *National Council on Economic Education: Macroeconomics - Student Activities*. John S. Morton, National Council on Economic

<p>appreciation/depreciation of a nation's currency and its level of imports/exports.</p> <p>5.8 Analyze ways in which governments and international organizations can promote or inhibit economic development.</p>	<p>Education</p> <ul style="list-style-type: none"> <li>• <i>National Council on Economic Education: Microeconomics - Student Activities</i>, John S. Morton, National Council on Economic Education</li> <li>• <i>National Council on Economic Education: Macroeconomics – Teacher Resources</i>, John S. Morton, National Council on Economic Education</li> <li>• Congressional Budget Office – <a href="http://www.cbo.gov/">www.cbo.gov/</a></li> <li>• IRS website – <a href="http://www.irs.gov/">www.irs.gov/</a></li> <li>• House &amp; Senate Appropriations Committees – <a href="http://appropriations.house.gov/">http://appropriations.house.gov/</a> <a href="http://appropriations.senate.gov/">http://appropriations.senate.gov/</a></li> <li>• House Ways &amp; Means Committee – <a href="http://waysandmeans.house.gov/">http://waysandmeans.house.gov/</a></li> </ul> <p><b><u>SUGGESTED INSTRUCTIONAL STRATEGIES</u></b></p> <ul style="list-style-type: none"> <li>• Construct a money market graph</li> <li>• Build a model to explain an open economy's trade balance and exchange rate</li> <li>• Determine the effects of international trade</li> <li>• Using exchange rate data, calculate the cost of various products in U.S. dollars (<i>National Council on Economic Education: Macroeconomics</i>)</li> <li>• Debate the pros and cons of globalization</li> <li>• Investigate and create a slideshow depicting which companies promote fair trade</li> <li>• Debate or discuss the benefits and drawbacks to outsourcing</li> <li>• Role play a round table discussion about the future of NAFTA, with representatives from the USA, Mexico, and Canada</li> </ul> <p><b><u>SUGGESTED ASSESSMENT METHODS</u></b></p> <ul style="list-style-type: none"> <li>• Graphing exercises</li> <li>• Critical thinking problems</li> <li>• Models/charts</li> <li>• Student presentations/projects</li> <li>• Writing assignments</li> <li>• Student participation</li> <li>• PowerPoint presentations</li> <li>• Tests/quizzes</li> <li>• Debate</li> <li>• Role plays</li> </ul>
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