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**Property Rights & Incentives**

Evaluate:

- How, given incentive based choices, can charity coexist in a world of self-interested beings.

Utilize knowledge of scarcity and incentives to define the study of economics.

- The study of how people make decisions using limited resources.

Interpret Adam Smith's analogy of the free market being like an invisible hand

- Explain why everyone making choices based on their individual incentives tends to be very good for a society

Comprehend that humans:

- 1) spend much time making choices;
- 2) are self-interested and respond to incentives;
- 3) that choices ALWAYS have costs and many times have secondary effects;
- 4) and that decisions are made using marginal analysis

Retrieve/Recall

- Scarcity
- Incentive
- Choice

**Market v Command Economies**

Evaluate the command economy of the former Soviet Union.

- Compare to the advantages and disadvantages of a market economies

Create a spectrum to illustrate some of the economies of the world showing their relative amount of command and market characteristics

- Government Roles in a mixed economy

Contrast how Market economies and Command economies answer the questions of what, how and form whom to produce.

- Describe and differentiate command and free market economies

Identify that societies will organize themselves to attempt to solve the scarcity problem.

- What
- How
- For whom?

Retrieve/Recall

- Command economy
- Free market economy

**Factor Market v Product Market**

Investigate the Cir. Flow Model.

- Propose how an economist might add "government" as a third component to the Circular Flow Model.

Predict how 'Time' might be considered the 5th Factor of Production.

- Time is also limited.

Organizing the PM and FM.

- Illustrate the relationships between the household and the firm.

Describe and differentiate between Product and Factor Markets

- Who plays the role of consumer?
- Who plays the role of producer?

Retrieve/Recall

- Microeconomics
- Macroeconomics
- Positive Statement
- Normative Statement
- Four Factors of Production
  - Land
  - Labor
  - Capital
  - Entrepreneurship