

Essential Understandings	<ul style="list-style-type: none"> ▪ Profit is the incentive that drives our market economy. ▪ Firms make production, pricing, and hiring decisions based on their quest for profit.
Essential Questions	<ul style="list-style-type: none"> ▪ What happens when a firm discovers that it can make higher profits by stopping production? ▪ When making production decisions what cost must a business consider? ▪ What areas do businesses make adjustments in order to raise revenue? ▪ What draws entrepreneurs into industry?
Essential Knowledge	<ul style="list-style-type: none"> ▪ Tradeoff and opportunity costs play a role in the profit motive in business decision-making. ▪ Profits continue to serve as an incentive. ▪ Firms may make adjustments in production to raise revenue. ▪ When making production decisions, firms must consider both costs and revenue.
Vocabulary	<ul style="list-style-type: none"> ▪ <u>Terms:</u> <ul style="list-style-type: none"> ○ tradeoff, opportunity cost, cost-benefit analysis, profit
Essential Skills	<ul style="list-style-type: none"> ▪ Identify the concepts of tradeoff and opportunity cost. ▪ Describe the profit motive in business decision-making. ▪ Identify how a firm uses cost-benefit analysis to pursue the goal of profit.
Related Maine Learning Results	
Sample Lessons And Activities	<ul style="list-style-type: none"> ▪ Read the story, "Kaiser makes a Bundle by Reselling Power". In groups answer the questions at the end of the chapter.
Sample Classroom Assessment Methods	<ul style="list-style-type: none"> ▪ Write a paper describing current conditions in the aluminum industry.
Sample Resources	<ul style="list-style-type: none"> ▪ <u>Publications:</u> <ul style="list-style-type: none"> ○ "Kaiser Makes a Bundle by Reselling Power" ○ Kaiser Aluminum Corporation's website