

explain why scarcity and choice are basic economic problems faced by every society.[12.1A]

describe how societies answer  
the basic economic  
questions.[12.1B]

describe the economic factors  
of production.[12.1C]

interpret a production-  
possibilities curve and explain  
the concepts of opportunity  
costs and scarcity.[12.1D]

understand the effect of  
changes in price on the  
quantity demanded and  
quantity supplied.[12.2A]

identify the non-price  
determinants that create  
changes in supply and demand,  
which result in a new  
equilibrium price.[12.2B]

interpret a supply-and-demand  
graph using supply-and-  
demand schedules.[12.2C]

explain the concepts of  
absolute and comparative  
advantages.[12.3A]



apply the concept of  
comparative advantage to  
explain why and how countries  
trade.[12.3B]

analyze the impact of U.S.  
imports and exports on the  
United States and its trading  
partners.[12.3C]

compare the effects of free  
trade and trade barriers on  
economic activities.[12.4A]

evaluate the benefits and  
costs of participation in  
international free-trade  
agreements.[12.4B]

analyze the effects of  
changes in exchange rates on  
imports and exports.[12.4C]

describe the basic characteristics of economic systems, including property rights, incentives, economic freedom, competition, and the role of government.[12.5A]

compare the free enterprise system, socialism, and communism using the basic characteristics of economic systems.[12.5B]

examine current examples of  
free enterprise, socialist, and  
communist economic  
systems.[12.5C]



understand that the terms  
free enterprise, free market,  
and capitalism are synonymous  
terms to describe the U.S.  
economic system.[12.5D]

analyze the importance of various economic philosophers, including Friedrich Hayek, Milton Friedman, John Maynard Keynes, and Adam Smith, and their impact on the U.S. free enterprise system.[12.5E]

explain the basic characteristics of the U.S. free enterprise system, including private property, incentives, economic freedom, competition, and the limited role of government.[12.6A]

explain the benefits of the U.S.  
free enterprise system, including  
individual freedom of consumers and  
producers, variety of goods,  
responsive prices, investment  
opportunities, and the creation of  
wealth.[12.6B]

analyze recent changes in the  
basic characteristics of the  
U.S. economy.[12.6C]

analyze the costs and benefits of U.S. economic policies related to the economic goals of economic growth, stability, full employment, freedom, security, equity (equal opportunity versus equal outcome), and efficiency.[12.6D]

analyze the costs and benefits  
of the purchase, use, or  
disposal of personal and  
business property.[12.7A]

identify and evaluate examples  
of restrictions that the  
government places on the use  
of business and individual  
property.[12.7B]



interpret the roles of  
resource owners and firms in a  
circular-flow model of the  
economy and provide real-  
world examples to illustrate  
elements of the model.[12.8A]

explain how government  
actions affect the circular-  
flow model.[12.8B]

explain how the circular-flow  
model is affected by the rest  
of the world.[12.8C]

describe characteristics and  
give examples of pure  
competition, monopolistic  
competition, oligopoly, and  
monopoly.[12.9A]

identify and evaluate  
ordinances and regulations  
that apply to the  
establishment and operation  
of various types of  
businesses.[12.9B]

interpret economic data,  
including unemployment rate,  
gross domestic product, gross  
domestic product per capita as a  
measure of national wealth, and  
rate of inflation.[12.10A]

analyze business cycles using  
key economic  
indicators.[12.10B]

analyze how productivity  
relates to growth.[12.11A]



analyze how technology  
relates to growth.[12.11B]

analyze how trade relates to  
growth.[12.11C]

describe the functions of  
money.[12.12A]

describe the characteristics  
of money, including commodity  
money, fiat money, and  
representative money.[12.12B]

examine the positive and negative aspects of barter, currency, credit cards, and debit cards.[12.12C]

explain the structure of the  
Federal Reserve  
System.[12.13A]

analyze the three basic tools used to implement U.S. monetary policy, including reserve requirements, the discount rate and the federal funds rate target, and open-market operations.[12.13B]

explain how the actions of the  
Federal Reserve System  
affect the nation's money  
supply.[12.13C]



analyze the decline in value of the U.S. dollar, including the abandonment of the gold standard.[12.13D]

identify economic concepts in  
the U.S. Constitution,  
including property rights and  
taxation.[12.14A]

describe the role of  
government in the U.S. free  
enterprise system and the  
changes in that role over  
time.[12.14B]

evaluate government rules and  
regulations in the U.S. free  
enterprise system.[12.14C]

identify types of taxes at the local, state, and national levels and the economic importance of each.[12.15A]

analyze the categories of  
revenues and expenditures in  
the U.S. federal  
budget.[12.15B]

analyze the impact of fiscal  
policy decisions on the  
economy.[12.15C]

explain the characteristics of  
sole proprietorships,  
partnerships, and  
corporations.[12.16A]



analyze the advantages and disadvantages of sole proprietorships, partnerships, and corporations.[12.16B]

analyze the economic rights  
and responsibilities of  
businesses, including those  
involved in starting a small  
business.[12.16C]

explain how corporations raise  
money through stocks and  
bonds.[12.16D]

explain the functions of  
financial institutions and how  
they affect households and  
businesses.[12.17A]

explain how the amount of  
savings in an economy is the  
basis of capital  
formation.[12.17B]

analyze the role of interest  
and risk in allocating savings  
to its most productive  
use.[12.17C]

examine the types of accounts available to consumers from financial institutions and the risks, monetary costs, and benefits of maintaining these accounts.[12.17D]

assess ways to be a wise  
investor in the stock market  
and in other personal  
investment options.[12.18A]



explain how to begin a savings  
program.[12.18B]

examine investment options  
available in a personal  
retirement plan.[12.18C]

demonstrate how to maintain a  
checking account, including  
reconciling a bank  
statement.[12.18D]

identify the types of loans  
available to  
consumers.[12.18E]

explain the responsibilities  
and obligations of borrowing  
money.[12.18F]

develop strategies to become  
a low-risk borrower by  
improving one's personal  
credit score.[12.18G]

examine ways to avoid and  
eliminate credit card  
debt.[12.19A]

evaluate the costs and  
benefits of declaring personal  
bankruptcy.[12.19B]



evaluate the costs and  
benefits of buying  
insurance.[12.19C]

evaluate the costs and  
benefits of charitable  
giving.[12.19D]

evaluate the costs and  
benefits of renting a  
home.[12.20A]

evaluate the costs and  
benefits of buying a  
home.[12.20B]

assess the financial aspects of  
making the transition from  
renting to home  
ownership.[12.20C]

understand how to complete the  
Free Application for Federal  
Student Aid (FAFSA)  
provided by the United States  
Department of Education  
.[12.21A]

research and evaluate various scholarship opportunities such as those from state governments, schools, employers, individuals, private companies, nonprofits, and professional organizations .[12.21B]

analyze and compare student  
grant options.[12.21C]



analyze and compare student  
loan options, including private  
and federal loans.[12.21D]

research and evaluate various  
work-study program  
opportunities.[12.21E]

investigate nontraditional  
methods of paying for college  
or postsecondary education  
and training.[12.21F]