

ND BUSINESS EDUCATION FRAMEWORKS

Economics

Course Code	Course Name/ Course Description	Grade Levels	High School Credit Options
14151	Economics: Economics is the study of economic principles and their application. This may include types of business ownership, theory of the free enterprise system, general economic principles, role of the government, cooperative marketing, economic terms and definitions, world conditions and how they affect the American Free Enterprise Systems.	9-12	¼, ½, or 1
Topic	Performance Expectations		
Allocation of Resources	<ul style="list-style-type: none"> • Demonstrate how resources (factors of production) may be used to satisfy economic wants (5.1.1.3) • Define and give examples of scarcity (5.1.1.4) • Explain why scarcity requires individuals, governments, and societies to make choices (5.1.1.5) 		
Economic Systems	<ul style="list-style-type: none"> • Describe characteristics of a market system (e.g. profit, competitive markets, and private ownership of property) (5.2.1.2) • Illustrate the relationship between individual households, businesses, and government (e.g. circular flow of goods and services and money payments) in making production and distribution decisions in a market-oriented economy (5.2.1.6) • Analyze existing economies and how they answer the following three basic economic questions every economic system must answer: What goods and services should be produced? How should the goods and services be produced? For whom should the goods and services be produced? (5.2.1.8) • Analyze how wages and prices are determined in command or centrally planned and market economies (5.2.1.11) 		

<p>Economic Institutions and Incentives</p>	<ul style="list-style-type: none"> • Describe the role of profit in our economy and the relationship of profit to risk and uncertainty (5.3.1.1) • Identify the various forms of business organizations (sole proprietorship, partnership, and corporation) and the limitations and rewards associated with each (5.3.1.2) • Explain how individuals or family units provide productive resources of land, labor, capital, and entrepreneurship (5.3.1.3) • Identify and analyze why private ownership, making individual choices, and limited government involvement are such important concepts in all areas of the U.S. market economy (5.3.1.4) • Identify the returns for various resources (e.g. interest, rent, profit, and wages) (5.3.1.5) • Describe and give examples of different kinds of economic institutions in the U.S. economy (e.g. households, businesses, financial institutions, government agencies, labor unions, and nonprofit organizations) (5.3.1.6) • Explain the purpose of incentives and disincentives in the U.S. economy and give examples of each (5.3.1.7) • Explain how cultural traditions and customs influence economic behavior in the United States (5.3.1.8) • Analyze ways in which a society's allocation of resources will be affected by its laws, public policy, and taxation (5.3.1.13) • Identify how certain historical events (e.g., the Depression, 1980's savings and loan crisis, September 11, housing market crisis of 2008) have influenced the banking system and other financial institutions (5.3.1.14)
<p>Markets and Prices</p>	<ul style="list-style-type: none"> • Identify determinants of supply and demand (5.4.1.8) • Demonstrate an understanding of the supply and demand curves when there are increases and decreases in supply and demand and explain why these changes occur (5.4.1.10) • Illustrate how a change in price affects quantity demanded or quantity supplied (5.4.1.11) • Explain and illustrate how the equilibrium price changes according to changes in supply or demand (5.4.1.12) • Explain and illustrate how a market reacts to shortages and surpluses with no government intervention (5.4.1.13) • Explain and illustrate how a market reacts to governmental intervention (e.g. ceilings, price floors, and regulations) (5.4.1.14) • Describe the concept of elasticity and inelasticity (5.4.1.15) • Explain how efficient production and allocation of goods and services in a market economy are based on pricing information (5.4.1.16)
<p>Market Structures</p>	<ul style="list-style-type: none"> • Explain how competition among sellers of a good or service generally results in lower prices for buyers and lower profits for sellers and promotes higher quality (5.5.1.3) • Describe how competition among buyers of a good or service generally results in higher prices for buyers and higher profits for sellers (5.5.1.4) • Describe the characteristics of pure competition and identify examples in the current market (5.5.1.6) • Describe the characteristics of monopoly and natural monopoly and identify examples in the current market (5.5.1.8)

	<ul style="list-style-type: none"> • Describe the characteristics of an oligopoly and identify examples in the current market (5.5.1.9) • Discuss the major barriers to new firms entering a market and how the barriers affect the level of competition in an industry (5.5.1.11) • Examine U.S. laws and government regulations that are designed to impact competition (5.5.1.12)
Productivity	<ul style="list-style-type: none"> • Assess opportunity costs and economic risks involved when investing in physical and human capital to increase productivity (5.6.1.6) • Discuss the effects of government expenditures, regulations, and tax policies on productivity (5.6.1.7) • Distinguish between fixed, variable, explicit, and implicit costs (5.6.1.9) • Explain the principle of diminishing returns and illustrate how it relates to productivity (5.6.1.10)
The Role of Government	<ul style="list-style-type: none"> • Explain the role of government taxation and its effect on consumers and producers (5.7.1.5) • Differentiate between local, state, and federal tax receipts and expenditures (5.7.1.6) • Identify specific local, state, and federal government regulations and their impact on business, society, and the individual in an economy (5.7.1.7) • Identify monetary policies (open market securities, reserve requirement, discount rate) used by the Federal Reserve System to regulate the economy (5.7.1.12) • Identify fiscal policies used by the federal government to regulate the economy (5.7.1.13) • Differentiate between monetary and fiscal policies and identify when it may be appropriate to use a given policy (5.7.1.15)
Global Economic Concepts	<ul style="list-style-type: none"> • Identify examples of goods and services exported to or imported from a particular country (5.8.1.2) • Identify primary trading partners within the global economy (5.8.1.3) • Analyze how a change in the value of a nation's currency (appreciation or depreciation) can affect the level of its imports and exports (5.8.1.8)
Aggregate Supply and Aggregate Demand	<ul style="list-style-type: none"> • Discuss causes and types of unemployment (5.9.1.3) • Analyze incentives and disincentives of being employed versus incentives and disincentives of being unemployed or underemployed (5.9.1.4) • Compare and contrast the different stages of the business cycle (e.g., recovery, expansion, trough, and peak) (5.9.1.8) • Differentiate between the types of unemployment (frictional, structural, cyclical, and seasonal) (5.9.1.10) • Interpret the Consumer Price Index (CPI) in relationship to purchasing power (5.9.1.11) • Discuss major factors that affect the level of a country's Gross Domestic Product (GDP) (e.g., quantity and quality of natural resources, human capital, and capital stock) (5.9.1.12) • Locate the per capita GDP of various nations to compare the levels of economic well-being (5.9.1.13)