

SOCIAL STUDIES DEPARTMENT

ECONOMICS: COURSE #236

Contact Information

Pamela Lynn
Regional Department Leader, Social Studies
Acton-Boxborough Regional High School
36 Charter Road
Acton, MA 01720
Telephone: (978) 264-4700, x3413
Fax: (978) 266-1133
E-mail: plynn@mail.ab.mec.edu

The Department's Educational Philosophy

The goal of the Social Studies Department is to provide students with the information and skills necessary to act as responsible global citizens. To achieve this goal we facilitate the process whereby students develop an understanding of American culture. Culture includes the unique characteristics of American society – its social structure, economic system and political organization. An understanding of American society must be grounded in a knowledge of the general patterns of western civilization from which American culture evolved. In an age of increasing global interconnectedness, it is vital to develop an awareness of and appreciation for other cultures.

Guiding Principles

All social studies students should:

- Demonstrate an awareness of the major factors involved in the development of civilizations from the Middle Ages to the present.
- Acquire useful and relevant information about the world in which they live.
- Develop the necessary skills to gather further information about whatever interests them.
- Think critically about sources of information, both primary and secondary, recognizing bias and viewpoint and separating fact and fiction.
- Interpret the world around them in such a way that they can make responsible decisions and act upon them effectively.
- Develop personal values and a sense of their own worth and dignity as individuals.
- Respect and appreciate one's own culture and way of life, as well as those of others.
- Be aware of the dependence of humans on their total environment and develop a personal concern for the preservation of an environment worth living in.
- Possess a sense of responsibility toward others and a willingness to work in a cooperative way for the common good.
- Develop a respect for learning and a desire to continue to learn beyond the opportunities provided by formal education.

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Course Frequency: Full-year course, five times per week

Credits Offered: Five

Prerequisites: None

Background to the Curriculum

Economics is an elective course that was developed to supplement the required courses offered by the social studies department. Economics is heterogeneously grouped and therefore is geared toward students of all academic backgrounds and is taken exclusively by students in their junior and senior year. The course examines the central questions of economics--for whom to produce, how to produce, what to produce and how the economy allocates scarce resources to answer those questions. The course also examines the economic motivation and reasoning of people in their various roles, as well as examining how and why government interacts in the economy. Key elements include the study of scarcity, supply and demand, the public sector, money and both how its supply is controlled and how it affects the economy, the business cycle, the role of various financial institutions (both private and public), unemployment and the various economic theories behind government intervention in the economy (monetarist, supply side, Keynesian, laissez faire).

Core Topics/Question/Concepts/Skills

- Opportunity Cost
- Supply
- Demand
- National Income Accounting
- Unemployment
- Inflation
- Fiscal Policy
- Monetary Policy
- Federal Reserve
- Supply Side

Course-End Learning Objectives

<u>Learning Objectives</u>	<u>Corresponding state standards,</u>
	<u>where applicable</u>
<i>Scarcity and Economic Reasoning</i>	
Students will understand that resources are limited; therefore, people cannot have all the goods they want. As a result, they must weigh their opportunity costs and choose some goods while forgoing others.	
1] Define each of the areas of resources (land, labor, capital and entrepreneurship) and explain why and how they are necessary for the production of goods and services.	E.1.1
2] Explain the concept of opportunity costs and how those costs force people to confront the issue of scarce resources by making choices.	E 1.2
3] Identify the overarching goals of economic policy, including efficiency, equity, growth, price stability and full employment.	E 1.3
4] Identify the central questions of economics--what to produce, how to produce and for whom to produce.	E 1.4
5] Predict how interest rates and the alteration of those rates will act as incentives to savers and borrowers, causing an increase or decrease in economic activity.	E1.5
6] Realize that all free market exchanges occur because both parties are expecting to benefit (be better off) as a result of the exchange.	E. 1.7
7] Compare and contrast how the various economic systems (traditional, free market, command, mixed) answer the central questions of economics.	E 1.8
8] Use a production possibilities curve to explain the concepts of choice, scarcity and opportunity cost, tradeoffs, inefficiency, efficiency, productivity and economic growth.	E 1.9.
<i>Supply and Demand</i>	
Students will understand the role of supply and demand in determining the output of the economy and the prices charged for the various goods.	
1] Define supply and demand and use a supply and demand curve to show how the market mechanism determines price and quantity.	E 2,1
2] Describe the role of buyers and sellers in the market mechanism.	E 2.2

<p>3] Recognize that consumers and their demand ultimately determine what will be produced in a market economy.</p>	<p>E 2.3</p>
<p>4] Identify the determinants of both supply and demand and explain how the supply and demand curves would be altered by altering one (or more) of the determinants.</p>	<p>E 2.4</p>
<p>5] Demonstrate how government regulation, including limiting pollution, price floors and ceilings (rent control), either alter the curves or create surpluses or shortages.</p>	<p>E 2.5</p>
<p><i>Market Structures and the Role of Government</i></p>	
<p>Students will understand the various economic forms, how the various forms work, and what role and how the government will play in the various forms.</p>	
<p>1] Define various forms of undesired economic outcomes – inflation, unemployment, lack of economic growth, excessive production of negative extranalties or a shortage of public goods.</p>	<p>E3.2</p>
<p>2] Explain how government responds to perceived undesirable economic outcomes by regulation or providing public goods and services or limiting negative extranalties.</p>	<p>E 3.3</p>
<p>3] Describe the major revenue and expenditure categories of local, state and federal budgets.</p>	<p>E 3.4</p>
<p>4] Define natural monopolies and explain the purposes of government regulation of natural monopolies and the control of those monopolies they define as unnecessary.</p>	<p>E 3.5</p>
<p>5] Define progressive, proportional, and regressive taxation and provide examples of each form of taxation.</p>	<p>E 3.6</p>
<p>6] Predict how changes in federal spending or taxation might alter the national debt and the output of the economy.</p>	<p>E 3.7</p>
<p>7] Define and explain fiscal and monetary policy, as well as supply side, Keynesian economics, laissez faire, monetarism.</p>	<p>E 3.8</p>
<p>8] Analyze how the government uses taxing and spending decisions to promote price stability, full employment, and economic growth and to alter the answers to the three central questions of economics.</p>	<p>E 3.9</p>
<p>9] Analyze how the Federal Reserve uses monetary tools to promote price stability, full employment and economic growth.</p>	<p>E 3.10</p>

<i>National Economic Performance/National Income Accounting</i>	
Students will understand how economic performance is measured and how to do the calculations measuring the strength/weakness of the economy.	
1] Define aggregate supply and demand, Gross Domestic Product (GDP), economic growth, unemployment, and inflation/deflation.	E 4.1
2] Explain how GDP, economic growth, disposable income, and inflation are calculated.	E4.2
3] Identify the different causes (both theoretical and historical) of inflation/deflation and analyze who benefits and who loses from inflation/deflation.	E4.3
4] Recognize that a country's overall level of income and employment and prices paid are determined by choices made by both suppliers and consumers.	E4.4
5] Illustrate and explain how the relationship between aggregate supply and aggregate demand determine the level of unemployment and inflation in an economy (GDP gap).	E4.5
6] Compare and contrast the organizations of various economic systems--free market, laissez faire, command and mixed.	E 3.1
<i>Money and the Role of Financial Institutions</i>	
Students will understand the role of money and financial institutions in a market/mixed economy.	
1] Explain the basic function/purpose of money.	E 5.1
2] Identify the composition of the various forms of money supply in the United States.	E 5.2
3] Explain the role of banks (and the various kinds of banking institutions) in the economy of the United States.	E 5.3
4] Describe the organization and role of the Federal Reserve System.	E5.4
5] Research monetary financial investments (stocks) and understand how the financial market works.	E 5.5

Assessment

Student assessment is based on a variety of criteria, including chapter tests, class work, homework, and effort. Unit tests typically are comprised of multiple choice questions, identifications, short answer, and essay. Homework is assigned regularly and consists of textbook readings and worksheets. Vocabulary mastery is a crucial component of the student's work. Participation is expected. Students present current events articles in front of class regularly. A cumulative final is given at the end of the year.

Students who wish to prepare for the AP Macroeconomics test will be provided materials and support.

Technology Learning Objectives Addressed in This Course

(This section is for faculty and administrative reference; students and parents may disregard.)

<u>Course activity: skills &/or topics taught</u>	<u>Standard(s) addressed through this activity</u>

Materials and Resources

Text:

Schiller, Bradley R., The Macro Economy Today, 9th ed., 2003.