



Idaho Social Studies Standards

What Citizens Need to Know About Economics
addresses Idaho Social Studies Standards for the economics component of the social studies curriculum grades 9-12.



509. ECONOMICS, SECTIONS 510 THROUGH 514.

510. Fundamentals.

Standard: Understand basic economic concepts.

- a. Define scarcity and explain its implications in decision making.

- *Chapter 2 defines the concept of scarcity and explains how it influences economic decisions. Graphics are provided to help illustrate this concept.*

- b. Know ways in which the interaction of all buyers and sellers influence prices.

- *Chapter 4 explores consumerism and explains how the interaction of buyers and sellers influences price. Links to related articles and Web sites are available for more information.*

- c. Define credit and debt and explain their effects.

- *Chapter 6 addresses consumer credit. The wise use of credit is stressed and related articles and Web sites provide suggestions on how to maintain proper credit.*

- d. Identify the incentives that determine what is produced and distributed in a competitive market system.

- *Chapter 3 identifies incentives, such as profit, in a competitive market economy and compares that to incentives, or lack of incentives, in traditional and command economies.*
- *Chapter 7 examines incentives in a market economy that encourage entrepreneurs to produce goods and services. Web links provide biographies of influential American entrepreneurs, such as Ray Kroc, the founder of McDonald's, and Bill Gates, the founder of Microsoft.*

- e. Describe the concept of interest and explain how interest rates are determined.

- *Chapter 11 defines the concept of interest and explains how interest rates are determined. The role of the Federal Reserve System is discussed and Web links are available to all branches of the Federal Reserve.*

- f. Compare and contrast free market and controlled economies of various nations and eras.

- *Chapter 3 compares and contrasts capitalism, socialism and communism. Examples from various nations and eras are provided and Web links are available to biographies of influential economic philosophers, such as Adam Smith and Karl Marx, and the complete texts of their most famous works.*

- g. Apply economic concepts to explain the role of imports/exports both nationally and internationally.

- *Chapter 22 examines the impact of imports and exports both nationally and internationally. Key concepts and terms such as imports and exports are defined and the debate over free trade is discussed. Web links are included to major international trade organizations, such as the North American Free Trade Agreement and the European Union.*

511. Concept of Money.

Standard: Understand the concept of money.

- a. Analyze the role of money as a medium of exchange.
b. Explain how money derives its value.

- *Chapter 11 describes the role of money as a medium of exchange and explains how money derives its value. A history of money is presented and alternatives to money, such as barter, are identified. Web links to the U.S. Mint and the U.S. Bureau of Engraving and Printing are provided for further research.*
- *Chapter 23 explains how the laws of supply and demand influence the value of money in the international foreign exchange market. A Web link is available to a program that calculates the current value of U.S. and foreign currencies.*

512. Influences.

Standard: Understand there are many influences on economic systems.

- a. Explain the impact of culture, values, and belief systems on economic systems.

- *Chapter 3 explains how culture, values and belief systems have influenced economic systems. The traditional caste system in India and the command system in ancient Egypt and the former Soviet Union are cited as examples. Web sites are available to biographies of important economic philosophers and the complete texts of their most influential works.*

- b. Explain and illustrate environmental and geographical impacts on economic policies and decisions made by federal, state, regional, and local officials.

- *Chapter 12 discusses the role of governments in economic systems. Web links are available to major governmental organizations, including the Environmental Protection Agency.*
- *Chapter 15 explores problems associated with economic growth, including the impact of economic growth on the environment. Links to related articles and Web sites provide current examples.*

- c. Describe and illustrate the impact of governmental policies and decisions on economic systems.

- *Chapter 12 examines the role of government in economic systems. The impact that governmental policies and decisions have on economic systems is discussed. Web links are provided to major governmental organizations, including the Federal Communications Commission and the Food and Drug Administration.*
- *Chapter 17 describes the impact of governmental policies, such as fiscal and monetary policies, on economic systems. Links to related articles and Web sites provide information on current governmental policies.*

513. Economic Institutions.

Standard: Know the different types of economic institutions and understand how they differ from one another.

- a. Know the characteristics of various types of business structures.
b. Identify the business characteristics of an entrepreneur.
c. Identify the role of the stock market.

- *Chapter 7 identifies issues associated with businesses. Characteristics of various types of business structures are identified and terms, such as entrepreneur, are defined. The roles of stock and commodity markets in an economic system are discussed. Web links are available to biographies of successful entrepreneurs, such as Ray Kroc, the founder of McDonald's, and Bill Gates, the founder of Microsoft. Web links to major stock and commodity markets around the world, including the New York Stock Exchange, the Chicago Mercantile Exchange and the London Stock Exchange, are also provided.*

d. Explain the role of banking institutions.

- *Chapter 11 explains the role of banking institutions. A history of banking is included and the role of the Federal Reserve is discussed. Web links are available to all branches of the Federal Reserve System.*

e. Explain the purposes of labor unions.

- *Chapter 10 discusses the labor movement in the United States. The purposes of labor unions are explained and Web links are available to major U.S. labor unions, including the AFL-CIO and the Teamsters.*

514. Personal Finance.

Standard: Understand the concepts of good personal finance.

a. Examine and apply the elements of responsible personal fiscal management.

- *Chapter 6 identifies issues associated with consumer credit. The effects of poor credit decisions are discussed and terms such as bankruptcy are defined. An activity for this chapter in the Educator's Guide suggests students create a personal budget to save for future goals.*

b. Identify and evaluate sources and examples of consumers' responsibilities and rights.

- *Chapter 4 presents an overview of consumerism including the concepts of caveat emptor, diminishing utility and conspicuous consumption. Consumer responsibilities and rights are identified and Links are available to consumer protection Web sites maintained by the government and independent watchdog groups.*

c. Define the concept of taxation as applied to personal finances.

- *Chapter 13 identifies issues associated with taxation. The concept of a fair tax is discussed and the impact taxes have on individuals is identified. The terms regressive, progressive and proportional taxation are discussed in the light of their impact on different personal income brackets. A Web link is provided to the Internal Revenue Service and a suggested activity for this chapter in the Educator's Guide includes completing a tax return.*