



New Hampshire Social Studies Curriculum Framework

What Citizens Need to Know About Economics
addresses New Hampshire social studies curriculum standards for economics
Grade 10.



Economics

Purpose. Economics is the study of the allocation and utilization of limited resources to meet society's needs and wants, including how goods and services are produced and distributed. Through economics, students examine the relationship between costs and benefits. They develop an understanding of economic concepts; the economic system of the United States; other economic systems; the interactions between and among different types of economies; and patterns of world trade. The goal of economic education is to prepare students to make effective decisions as consumers, producers, savers, and investors, and as citizens.

Curriculum Standard 5: Students will demonstrate the ability to analyze the potential costs and benefits of economic choices in market economies including wants and needs; scarcity; tradeoffs; and the role of supply and demand, incentives, and prices.

Proficiency Standards—End-of-Grade 10 (Secondary)

Describe how economic choices made by producers and consumers are based on supply, demand, and access to markets.

- *Chapter 4 describes how consumers and producers influence the choices made by the others. Links to related articles and Web sites are provided for examples.*
- *Chapter 8 explains the laws of supply and demand and how it impacts choices made by producers and consumers. Graphics are provided to better illustrate these concepts.*

Explain how market systems influence the production and distribution of goods and services.

- *Chapter 1 explains how market systems influence the production of goods and services. Links to related articles and Web sites are provided for more information.*
- *Chapter 7 describes the role of businesses in the market system. Web links are available to major stock exchanges around the world and governmental advisory agencies such as the Small Business Administration.*

Discuss, using historical and contemporary examples, how individuals, governments, and societies experience and respond to scarcity.

- *Chapter 2 identifies scarcity as a major issue that economic systems address. Related articles and Web sites provide historical and contemporary examples.*

Explain how incentives, worth, usefulness, traditions, and habits influence economic decisions made by individuals, households, businesses, and government.

- *Chapter 4 explores what influences consumers in economic decisions. The concept of consumer protection is discussed and Web sites are provided to consumer protection organizations run by the government and independent watchdog groups.*
- *Chapter 7 identifies the incentives that influence entrepreneurs and businesses in their economic decisions. Profiles of influential entrepreneurs, such as Ray Kroc (the founder of McDonald's) and Bill Gates (the founder of Microsoft), are provided with Web links for more information.*
- *Chapter 12 examines the incentives that influence governmental economic decisions. Web links to many federal agencies, such as the Congressional Budget Office and the Office of Management and Budget, are available.*

Analyze how changes in technology, costs, and demand interact in competitive markets to determine or change the price of goods and services.

- *Chapter 8 describes how the law of supply and law of demand interact with competitive markets to determine the price of goods and services. Graphics are provided to help illustrate these concepts.*

Curriculum Standard 6: Students will demonstrate the ability to examine the interaction of individuals, households, communities, businesses, and governments in market economies including competition; specialization; productivity; traditional forms of enterprise; and the role of money and financial institutions.

Proficiency Standards—End-of-Grade 10 (Secondary)

Describe and analyze the role that supply and demand, prices, incentives, and profits play in determining what is produced and distributed in market economies.

- *Chapter 4 describes how prices influence what consumers purchase. Links to related articles and Web sites are provided.*
- *Chapter 7 explores how profits play a role in determining what is produced and distributed in market economies.*
- *Chapter 8 describes the role that supply and demand play in determining what is produced and distributed in market economies.*

Explain, by using examples, how goods and services are produced and distributed in market economies.

- *Chapter 3 differentiates market economies, from traditional, command and mixed economies. The traditional caste system in India and the command system in ancient Egypt and the former Soviet Union are cited as examples and Web sites provide more detail.*
- *Chapter 8 describes how the laws of supply and demand influence how goods and services are produced and distributed. The supply and demand for tomatoes are cited as an example and graphics are available to better illustrate these concepts.*

Discuss the ways that specialization contributes to and influences the production and exchange of goods and services.

- *Chapter 22 describes how specialization contributes to and influences the production and exchange of goods and services in the context of foreign trade. Web links are available to international trade organizations such as the North American Free Trade Agreement and the European Union.*

Analyze how technological development, entrepreneurship, and investments in productive resources, including natural resources, capital, and human resources (labor), affect productivity.

- *Chapter 2 defines the factors of production as management (entrepreneurship), land, labor and capital. The interactions of the four factors are discussed.*
- *Chapter 7 describes how technological development, entrepreneurship and investment impact production. The law of diminishing returns is explained and illustrations are provided.*

Describe the differences among various forms of exchange, including barter and purchase, and various forms of money including currency, checks, and credit.

- *Chapter 11 explores issues associated with money and banking. Various forms of exchange and money are described.*

Describe and analyze how governments create money; how governmental taxation, spending, regulation, and intervention affect the functioning of market economies; and how governments deal with market failures.

- *Chapter 11 describes how the federal government creates money through the Federal Reserve System. Links to all branches of the Federal Reserve System, the Bureau of Engraving and Printing and the Department of the Treasury are provided.*
- *Chapter 12 explores the roles of government in the economic system. Governmental spending and regulatory functions are described and Web links are available to major governmental agencies from the Environmental Protection Agency to the Office of Management and Budget.*
- *Chapter 13 explains how governments tax its citizens and businesses. The concept of a fair tax is discussed and a Web link to the Internal Revenue Service is available.*
- *Chapter 17 describes how the federal government stabilizes the economy and deals with market failures using fiscal and monetary policies. Links to related articles and Web sites provide current information on monetary decisions by the Federal Reserve System and fiscal decisions by the current presidential administration.*

Discuss how individuals, as consumers, buy goods and services from firms and, as workers, sell productive resources or lend their savings to other individuals or firms (circular flow).

- *Chapter 4 explores issues associated with consumerism. The circular flow of how demand leads to production is described and illustrated with a graphic.*
- *Chapter 7 examines how investment capital leads to production. This concept is illustrated with a graphic.*
- *Chapter 11 describes how the money supply increases through the circular flow of saving and lending. The concept is illustrated with a chart.*
- *Chapter 14 explains the circular flow of money principle. Graphics and Web links provide more detail.*

Compare the advantages and disadvantages of proprietorships, partnerships, and corporations including the raising of capital; levels of liability; tax advantages; profit levels; and risk spreading.

- *Chapter 7 identifies different forms of businesses. Proprietorships, partnerships and corporations are defined. Links to related articles and Web sites are available for further research.*

Explain how the economy functions as a whole including the causes and effects of inflation, unemployment, business cycles, fluctuations in interest rates and market prices, and monetary and fiscal policies.

- *Chapter 16 describes the business cycles and explores the causes and effects of inflation.*
- *Chapter 17 explains how the economy functions and how monetary and fiscal policy influence the stability of the economy. Links to related articles and Web sites provide current information on monetary and fiscal policies.*
- *Chapter 19 explores the impact of unemployment on the economy. Web sites to governmental agencies provide current information on U.S. employment trends.*

Curriculum Standard 7: Students will demonstrate an understanding of different types of economic systems, their advantages and disadvantages, and how the economic systems used in particular countries may change over time.

Proficiency Standards—End-of-Grade 10 (Secondary)

Explain that the scarcity of productive resources--human, capital, technological, and natural--requires the development of economic systems to make decisions about the production and distribution of goods and services.

Compare basic economic systems according to how rules and procedures deal with demand, supply, prices, savings, investments, and capital.

Discuss how wages and prices are determined in traditional, command, and market economies.

Discuss how, in different economic systems, the means of production, distribution, and exchange are related to culture, resources, and technologies.

Describe and discuss the role of government, banks, labor and labor unions, in different economic systems.

Illustrate, by using examples, that today virtually all countries, including the United States, use a mixed-market system having some features of traditional, command, and market economies, and that the mix varies from one country to another.

Analyze and discuss, using historical and contemporary examples, the national and international consequences and opportunities resulting from the transition of a non-market to a market economy.

- *Chapter 2 explains how the principle question economics attempts to answer is how to distribute scarce resources. The factors of production are defined as being—land, labor and capital.*
- *Chapter 3 identifies the major economic systems—traditional, command, market and mixed economies—that have been developed to make decisions about the production and distribution of goods and services. The influence of culture, resources and technology in determining which economic system to use is explained. An in-depth comparison of capitalism, socialism, communism and mixed economies is given along with biographies of influential economic philosophers and the complete texts of their most famous works. Other links to Web sites and related articles provide historical and contemporary examples of transitions from non-market to market economies, such as the collapse of the Soviet Union.*

Curriculum Standard 8: Students will demonstrate an understanding of the patterns and results of international trade including distribution of economic resources; imports and exports; specialization; interdependence; exchange of money; and trade policies.

Proficiency Standards—End-of-Grade 10 (Secondary)

Compare how traditions and habits influence economic decisions, including trade policies, in different societies.

Discuss, using contemporary examples, how the uneven quantity and quality of productive resources available to nations around the world promotes specialization, creates international trade, and increases total world output.

Explain that extensive international trade requires an organized system for exchanging money between nations.

Analyze how governmental policies influence the level of free or restricted trade in the world marketplace.

Analyze how the distribution of the world's natural resources, political stability, national efforts to encourage or discourage trade, and the flow of investments affect the pattern of international trade.

- *Chapter 22 explores issues associated with international trade, including how the uneven distribution of resources promotes specialization and international trade and the debate between free and restricted trade. Web links to international trade organizations, such as the European Union and the North American Free Trade Agreement, and related articles provide contemporary examples of international trade patterns.*
- *Chapter 23 examines the interdependence of the world's economies. A history of how the international community organized a system for exchanging money between nations is available. Web links to international organizations such as the World Bank and the International Monetary Fund are provided.*

Curriculum Standard 9: Students will demonstrate the ability and willingness to apply economic concepts in the examination and resolution of problems and issues in educational, occupational, civic, and everyday settings.

Proficiency Standards—End-of-Grade 10 (Secondary)

Apply knowledge of economic concepts in evaluating historical issues, policies, and events.

- *The Educator's Guide includes suggested activities for every chapter. Most require students to apply knowledge of economic concepts in evaluating historical issues, policies and events.*
- *Related articles and Web sites in each chapter provide students with the resources necessary to apply the knowledge they have learned.*
- *Learning Tools linked to each chapter can be used on chapters, related articles, graphics or Web sites to apply knowledge of economic concepts.*

Employ economic concepts to develop a response to a current economic issue. Analyze, using case studies, the impact of sound economic decision making on the long-term financial success of individuals, enterprises, institutions, and government.

- *Related articles and Web sites at the end of every chapter provide students with information on current economic issues.*
- *Some activities in the Educator's Guide encourage students to employ economic concepts to develop responses to current economic issues.*

Apply economic knowledge and concepts in identifying and analyzing the requirements for effective participation in the workplace, the marketplace, and civic life.

- *Suggested activities in the Educator's Guide encourage students to apply economic knowledge for effective participation in the workplace, the marketplace and civic life. Suggested activities include: exploring employment options, monitoring stock performances and debating economic decisions by the government.*

Discuss, using examples, how economic decisions may impact the environment and how environmental decisions may impact the economy.

- *Chapter 15 identifies problems associated with economic growth including environmental concerns. Links to related articles and Web sites provide more information on these issues.*
- *Chapter 23 examines the impact of globalization on the environment. Environmentalists' reactions to policies of the World Trade Organization (WTO) are discussed in the context of the 1999 WTO protests in Seattle, Washington. A suggested activity in the Educator's Guide for this chapter encourages students to explore this issue further from differing viewpoints.*

Prepare a business plan for a new local enterprise and identify productive resources needed for success (for example, entrepreneurial leadership).

- *This concept is explored in suggested activities for Chapters 2 and 7 in the Educator's Guide.*

Create a personal financial plan that identifies goals, contains a step-by-step process for reaching those goals, and predicts the future consequences of money-management decisions.

- *Chapter 6 explores issues associated with personal finance. Maintaining proper credit is stressed. An activity in the Educator's Guide suggests students create a financial plan to achieve specific goals.*