

Global Economics

Basic Economic Concepts **GE.1**

Students analyze the relationship among scarcity, choice, and opportunity costs to understand that resources are limited and, as a result, individuals must choose some things and give up others.

- 1 Define, identify, and explain the productive resources. **GE.1.1**
 - 2 Define scarcity and explain how opportunity costs and tradeoffs exist. (E) **GE.1.2**
 - 3 Explain incentives and how they affect choice. **GE.1.3**
 - 4 Illustrate a production possibilities curve to explain the concepts of choice, scarcity, opportunity cost, trade-offs, unemployment, productivity, and growth. **GE.1.4**
 - 5 Critique the trade-off among economic growth, national security, efficiency, and personal freedom. **GE.1.5**
 - 6 Explain measures of a country's economic performance such as Gross Domestic Product (GDP), unemployment, and inflation. (E) **GE.1.6**
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Global Economic Systems **GE.2**

Students critique various economic systems from around the world in order to identify strengths and weaknesses, and compare each.

- 1 Describe the various economic systems such as a free market, a command economy, or a mixed economy. (E) **GE.2.1**
 - 2 Identify questions that must be answered by any economic system and how they are categorized by how they answer the basic economic questions. **GE.2.2**
 - 3 Evaluate the strengths and weaknesses of various economic systems. (E) **GE.2.3**
 - 4 Explain the fundamental role, if any, of government in the various economic systems. **GE.2.4**
 - 5 Describe fiscal policy, including how taxes are used within different economic systems. **GE.2.5**
 - 6 Explain and evaluate how and why government control influences businesses and individuals through laws and taxes. (E) **GE.2.6**
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Economic Systems Structures **GE.3**

Students analyze marketplace structures in economic systems.

- 1 Define labor productivity and explain the basic factors which affect productivity. **GE.3.1**
- 2 Analyze the relationships between price, quantity, supply, demand, and equilibrium. (E) **GE.3.2**
- 3 Describe different types of competitive structures in economic systems. (E) **GE.3.3**

- 4 Explain the role and effect of labor unions, nonprofit organizations, and cooperatives in a given economy. [GE.3.4](#)
 - 5 Assess the influence of monopolies and oligopolies on marketplaces. [GE.3.5](#)
 - 6 Describe and evaluate how entrepreneurs form, fund, and operate businesses. Explain how they decide when to enter or exit a market. [GE.3.6](#)
 - 7 Explain the business cycle and the factors that influence it. (E) [GE.3.7](#)
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World Trade [GE.4](#)

Students analyze the necessity for global interaction within the different economic systems.

- 1 Synthesize evidence which suggests that most of the world's countries are interdependent. [GE.4.1](#)
 - 2 Explain how specialization promotes international trade and how international trade increases total world output. (E) [GE.4.2](#)
 - 3 Explain how governments and cartels/syndicates influence world trade. [GE.4.3](#)
 - 4 Use the concepts of absolute advantage and comparative advantage to determine why a country may choose to produce a particular commodity rather than another. [GE.4.4](#)
 - 5 Discuss the components that make up the balance of payments and balance of trade among nations. [GE.4.5](#)
 - 6 Evaluate the effects of trade agreements among nations and barriers to trade. (E) [GE.4.6](#)
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Money and Banking: Role of Monetary and Fiscal Policies [GE.5](#)

Students explain the role of monetary and fiscal policies in a global economy and how it relates to individuals' daily lives, businesses, and governments.

- 1 Explain the role of the Federal Reserve in the U.S. economy, as well as the functions of its counterparts in other countries. [GE.5.1](#)
 - 2 Differentiate between monetary policy and fiscal policies. (E) [GE.5.2](#)
 - 3 Define money and explain why it has value. (E) [GE.5.3](#)
 - 4 Compare the advantages and disadvantages of the barter system, currency, and near money. [GE.5.4](#)
 - 5 Analyze the effects that higher or lower interest rates can have on economic growth and inflation. [GE.5.5](#)
 - 6 Research the structure of financial institutions and analyze the consumer and commercial products offered. [GE.5.6](#)
 - 7 Investigate the effect of Gross Domestic Product (GDP), unemployment, and inflation on economies. (E) [GE.5.7](#)
 - 8 Analyze the history and current trends of U.S. and international commercial banking. [GE.5.8](#)
 - 9 Analyze and discuss the structure of, the purpose for, and the effects of government taxation. (E) [GE.5.9](#)
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**Money and Banking:
Currency and Financial
Institutions** **GE.6**

Students research the role of currency and international financial institutions in a global economy.

- 1 Research exchange rates and analyze their influence on international trade. **GE.6.1**
 - 2 Explain the roles and functions of the World Bank, the International Monetary Fund (IMF), and other international banking/financial institutions. **GE.6.2**
 - 3 Compare and analyze the securities exchanges and their effect on the world economy. **GE.6.3**
 - 4 Analyze the influence of phenomena such as trade policies, politics, disasters, and cultural factors on the value of currency. **GE.6.4**
 - 5 Explain how the value of money and the exchange rate influence the standards of living and may promote or discourage tourism. (E) **GE.6.5**
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**Making Career
Choices** **GE.7**

Students analyze career options in a global economy.

- 1 Evaluate data from the U.S. and other economies to predict the types of trade that will be profitable. Use evidence to identify career choices that will be in demand and the potential income associated with them. (E) **GE.7.1**
- 2 Identify and assess personal interests, abilities, life goals, and possible career choices. **GE.7.2**
- 3 Synthesize data from current economic trends in order to predict the effects they will have on standards of living in Indiana as well as the types of careers that will be in demand. **GE.7.3**
- 4 Evaluate the impact of sociological, economic, and technological changes on future careers. **GE.7.4**