Pennsylvania Economics

Grades 9 to 12

Fundamentals of Economics

A Evaluate the strengths and weaknesses of traditional, command, and market economies. 6.1.9-12.A

B Analyze the impact of traditional, command, and market economies on the United States economy. 6.1.9-12.B

C Analyze actions taken as a result of scarcity in decision-making. 6.1.9-12.C

D Analyze how choices made by individuals, firms, or government officials are constrained by available resources. 6.1.9-12.D

E Evaluate the allocation of resources used to produce goods and services. 6.1.9-12.E

F Evaluate regional, national, or international economic decisions using marginal analysis. 6.1.9-12.F

G Analyze the opportunity cost of decisions by individuals, businesses, communities, and nations. 6.1.9-12.G

H Evaluate in terms of marginal analysis how incentives influence decisions of consumers, producers, and policymakers. 6.1.9-12.H

I Analyze the relationship between specialization and the standard of living. 6.1.9-12.I

J Analyze the relationships between trade, competition, and productivity. 6.1.9-12.J

K Evaluate how a country might benefit by lowering or removing trade barriers. 6.1.9-12.K

L Analyze how consumers and producers participate in the global production and consumption of goods or services. 6.1.9-12.L

M Explain that individuals and nations have a comparative advantage in the production of goods or services if they can produce a product at a lower opportunity cost than other individuals or nations. 6.1.9-12.M

Microeconomics

A Analyze the circular flow of products, resources, and money in a mixed economy. 6.2.9-12.A

B Define noncompetitive markets and explain how consumers and producers operate in those markets. 6.2.9-12.B

C Evaluate the economic roles of governments in promoting free markets (e.g., price controls antitrust actions). 6.2.9-12.C

D Predict how changes in supply and demand affect equilibrium price and quantity sold. 6.2.9-12.D

E Explain how the location of resources, transportation, and technology have affected international economic patterns. 6.2.9-12.E

F Analyze the factors influencing wages, including demand for goods and services produced, productivity of labor, labor unions, and education and skills. 6.2.9-12.F

G Evaluate how changes in education, incentives, technology, and capital investment alter productivity. 6.2.9-12.G

H Analyze the costs and benefits of organizing a business as a sole proprietorship, partnership, or corporation. 6.2.9-12.H

I Analyze the role of profits and losses in the allocation of resources in a market economy. 6.2.9-12.I

J Evaluate the impact of entrepreneurs on the economy. 6.2.9-12.J

Macroeconomics

A Evaluate the relationship between economic growth and changes in macroeconomic indicators such as the Consumer Price Index (CPI), gross domestic product (GDP), and unemployment rate. 6.3.9-12.A

B Compare current and historical examples of expansion, recession, and depression. 6.3.9-12.B

C Identify fiscal and monetary policies that address inflation, unemployment, or economic growth., AND THE NATIONAL DEBT AND DEFICIT. 6.3.9-12.C

D Explain how deficit spending by the federal government increases the national debt and the impact it has on the economy. 6.3.9-12.D

E Evaluate the impact of different tax structures (progressive, proportional, and regressive) and different tax bases (income, wealth, property, etc.) on households and firms. 6.3.9-12.E

F Analyze the social, political, and economic consequences of changes in tax policy. 6.3.9-12.F

G Evaluate the economic roles of governments in a globalized economy (e.g., trade policy, income inequality, distribution of wealth). 6.3.9-12.G

H Evaluate policies governments can use to address unintended consequences (i.e., externalities) of market activities. 6.3.9-12.H

I Evaluate government decisions in prioritizing public goods and services. 6.3.9-12.I

Money and Economic Institutions

A Explain how the Federal Reserve defines money. 6.4.9-12.A

B Explain how changes in exchange rates affect the relative prices of foreign goods and services. 6.4.9-12.B

C Explain how changes in the money supply and monetary policy affect interest rates throughout the economy. 6.4.9-12.C

D Evaluate the role of banks in promoting economic growth in the economy. 6.4.9-12.D

E Analyze Federal Reserve policies designed to raise or lower interest rates. 6.4.9-12.E

F Evaluate the role of nongovernmental economic institutions (e.g., labor unions, non- profits, financial markets). 6.4.9-12.F

G Evaluate benefits and costs of changes in interest rates for individuals and society. 6.4.9-12.G