§113.31. Economics with Emphasis on the Free Enterprise System and Its Benefits (2022)

Adopted 2022

The student understands the concepts of scarcity and opportunity costs. The student is expected to: 12.1	**A.** explain why scarcity and choice are basic economic problems faced by every society; 12.1.A **B.** describe how societies answer the basic economic questions: what to produce, how to produce, and for whom to produce; 12.1.B **C.** describe the economic factors of production: land, labor, capital, and entrepreneurship; and 12.1.C **D.** interpret a production-possibilities curve and apply the concepts of opportunity costs and scarcity. 12.1.D
The student understands the interaction of supply, demand, and price. The student is expected to: 12.2	**A.** understand the effect of changes in price on the quantity demanded and quantity supplied; 12.2.A **B.** identify the non-price determinants that create changes in supply and demand, which result in a new equilibrium price; and 12.2.B **C.** interpret a supply-and-demand graph using supply-and-demand schedules. 12.2.C
The student understands the reasons for international trade and its importance to the United States and the global economy. The student is expected to: 12.3	**A.** apply the concepts of absolute and comparative advantages; 12.3.A **B.** compare the effects of free trade and trade barriers on economic activities, including the benefits and costs of participating in international trade; and 12.3.B **C.** analyze the effects of changes in exchange rates on imports and exports. 12.3.C

Skip to main content

The student understands free enterprise, socialist, and communist economic systems. The student is expected to: 12.4	**A.** explain the basic characteristics of economic systems, including property rights, incentives, economic freedom, competition, and the role of government; 12.4.A
	B. contrast current and historic examples of the free enterprise system, socialism, and communism using the basic characteristics of economic systems; and 12.4.B
	C. analyze the contributions of various economic philosophers, including Friedrich Hayek, Milton Friedman, John Maynard Keynes, and Adam Smith, and their impact on the U.S. free enterprise system. 12.4.C
The student understands the basic characteristics and benefits of the U.S. free enterprise system. The student is expected to: 12.5	**A.** explain the benefits of the U.S. free enterprise system, including individual freedom of consumers and producers, variety of goods, responsive prices, investment opportunities, and the creation of wealth; and 12.5.A
	B. analyze recent changes in the basic characteristics, including private property, incentives, economic freedom, competition, and the limited role of government, of the U.S. economy. 12.5.B
The student understands the right to own, use, and dispose of private property. The student is expected to: 12.6	**A.** analyze the costs and benefits of the purchase, use, or disposal of personal and business property; and 12.6.A
	B. identify and evaluate examples of restrictions that the government places on the use of business and individual property. 12.6.B
The student understands the circular-flow model of the economy. The student is expected to: 12.7	**A.** interpret the roles of resource owners and firms in a circular-flow model of the economy and provide real-world examples to illustrate elements of the model; and 12.7.A
	B. explain how government actions affect the circular-flow model. 12.7.B
The student understands types of market structures. The student is expected to: 12.8	**A.** describe characteristics and give examples of pure competition, monopolistic competition, oligopoly, and monopoly; and 12.8.A
	B. identify regulations that apply to the establishment and operation of various types of market structures. 12.8.B
The student understands key economic measurements. The student is expected to: 12.9	**A.** interpret economic data, including unemployment rate, gross domestic product, gross domestic product per capita as a measure of national wealth, and rate of inflation; and 12.9.A
	B. analyze business cycles using key economic indicators. 12.9.B
Th un co	analyze how productivity relates to growth; 12.10.A
	analyze how technology relates to growth; and 12.10.B

Skip to main content

economic growth. The student is expected to: 12.10	**C. analyze how trade relates to growth.** 12.10.C
The student understands the role of money in an economy. The student is expected to: 12.11	**A. describe the functions of money;** 12.11.A **B. describe the characteristics of money, including commodity money, fiat money, and representative money; and** 12.11.B **C. analyze the positive and negative aspects of barter, currency, and debit cards.** 12.11.C
The student understands the role of the Federal Reserve System in establishing monetary policy. The student is expected to: 12.12	**A. explain the structure of the Federal Reserve System;** 12.12.A **B. analyze the three basic tools used to implement U.S. monetary policy, including reserve requirements, the discount rate and the federal funds rate target, and open-market operations;** 12.12.B **C. explain how the actions of the Federal Reserve System affect the nation's money supply; and** 12.12.C **D. describe the current role of the U.S. dollar in trade in the world market and analyze how that has changed over time, in particular since departing from the gold standard in 1971.** 12.12.D
The student understands the role that the government plays in the U.S. free enterprise system. The student is expected to: 12.13	**A. describe the role of government in the U.S. free enterprise system and the changes in that role over time; and** 12.13.A **B. analyze the costs and benefits of U.S. economic policies, rules, and regulations related to the economic goals of economic growth, stability, full employment, freedom, security, equity (equal opportunity versus equal outcome), and efficiency.** 12.13.B
The student understands the economic impact of fiscal policy decisions at the local, state, and national levels. The student is expected to: 12.14	**A. identify types of taxes at the local, state, and national levels and the economic importance of each;** 12.14.A **B. explain the categories of revenues and expenditures in the U.S. federal budget; and** 12.14.B **C. analyze the impact of fiscal policy decisions on the economy.** 12.14.C
The student understands types of business ownership. The student is expected to:	**A. explain the characteristics of sole proprietorships, partnerships, and corporations; and** 12.15.A **B. analyze the advantages and disadvantages of sole proprietorships, partnerships, and corporations.** 12.15.B

Skip to main content

The student understands the role of financial markets/institutions in saving, borrowing, and capital formation. The student is expected to: 12.16	**A.** explain the functions of financial institutions and how they affect households and businesses; 12.16.A
	B. explain how the amount of savings in an economy is the basis of capital formation; 12.16.B
	C. analyze the role of interest and risk in allocating savings to its most productive use; and 12.16.C
	D. examine the types of accounts available to consumers from financial institutions and the risks, monetary costs, and benefits of maintaining these accounts. 12.16.D
The student understands the role of individuals in financial markets. The student is expected to: 12.17	**A.** assess ways to be a wise investor in the stock market and in other personal investment options such as developing a personal retirement plan; 12.17.A
	B. explain how to begin a savings program; 12.17.B
	C. demonstrate how to maintain a checking account, including reconciling a bank statement; 12.17.C
	D. identify the types of loans available to consumers; 12.17.D
	E. explain the responsibilities and obligations of borrowing money; and 12.17.E
	F. develop strategies to become a low-risk borrower by improving and understanding one's personal credit score. 12.17.F
The student applies critical-thinking skills to analyze the costs and benefits of personal financial decisions. The student is expected to: 12.18	**A.** examine ways to avoid and eliminate credit card debt; 12.18.A
	B. evaluate the costs and benefits of declaring personal bankruptcy; 12.18.B
	C. evaluate the costs and benefits of buying insurance; and 12.18.C
	D. evaluate the costs and benefits of charitable giving. 12.18.D
The student understands how to provide for basic needs while living within a budget. The student is expected to: 12.19	**A.** evaluate the costs and benefits of renting a home versus buying a home; and 12.19.A
	B. assess the financial aspects of making the transition from renting to home ownership. 12.19.B
The student understands the various methods available to pa[illegible] po[illegible] ed[illegible]	**A.** understand how to complete the Free Application for Federal Student Aid (FAFSA) provided by the United States Department of Education; 12.20.A
	research and evaluate various scholarship opportunities such as those from state governments, schools, employers, individuals, private companies, nonprofits, and professional organizations; 12.20.B

Skip to main content

The student is expected to: 12.20	**C.** analyze and compare student grant options; 12.20.C
	D. analyze and compare student loan options, including private and federal loans; and 12.20.D
	E. research and evaluate various work-study program opportunities. 12.20.E
The student applies critical-thinking skills to organize and use information acquired through established research methodologies from a variety of valid sources, including technology. The student is expected to: 12.21	**A.** analyze economic information by sequencing, categorizing, identifying cause-and-effect relationships, comparing, contrasting, finding the main idea, summarizing, making generalizations and predictions, and drawing inferences and conclusions; 12.21.A
	B. create economic models, including production-possibilities curves, circular-flow charts, and supply-and-demand graphs, to analyze economic concepts or issues; 12.21.B
	C. explain a point of view on an economic issue; 12.21.C
	D. analyze and evaluate a variety of economic information from primary and secondary sources for validity, credibility, accuracy, bias, propaganda, point of view, and frame of reference; 12.21.D
	E. evaluate economic data using charts, tables, graphs, and maps; and 12.21.E
	F. formulate and communicate visually, orally, or in writing a claim supported by evidence and reasoning for an intended audience and purpose. 12.21.F
The student communicates in written, oral, and visual forms. The student is expected to: 12.22	**A.** use social studies terminology correctly; 12.22.A
	B. create written, oral, and visual presentations of economic information using effective communication skills, including proper citations and avoiding plagiarism; and 12.22.B
	C. apply foundational language skills to engage in civil discourse about economics topics, including those with multiple perspectives. 12.22.C
The student uses problem-solving and decision-making skills, working independently and with others. The student is expected to use problem-solving and decision- making processes to identify a problem, gather inf co consider advantages	**23.** The student uses problem-solving and decision-making skills, working independently and with others. The student is expected to use problem-solving and decision- making processes to identify a problem, gather information, list and consider options, consider advantages and disadvantages, choose and implement a solution, and evaluate the effectiveness of the solution. 12.23

Skip to main content

and disadvantages, choose and implement a solution, and evaluate the effectiveness of the solution. 12.23