

# MVS Course Alignment Document

## Economics MMC

### STANDARD E1: THE MARKET ECONOMY

<b>E1.1 Individual, Business, and Government Choices</b>		<b>Unit</b>	<b>Lesson</b>
<b>E1.1.1</b>	Scarcity, Choice, Opportunity Costs, and Comparative Advantage – Using examples, explain how scarcity, choice, opportunity costs affect decisions that households, businesses, and governments make in the market place and explain how comparative advantage creates gains from trade	1	1
<b>E1.1.2</b>	Entrepreneurship – Identify the risks, returns and other characteristics of entrepreneurship that bear on its attractiveness as a career	1 and 3	2 and 8
<b>E1.2 Competitive Markets</b>		<b>Unit</b>	<b>Lesson</b>
<b>E1.2.1</b>	Business Structures – Compare and contrast the functions and constraints facing economic institutions including small and large businesses, labor unions, banks, and households	3	8
<b>E1.2.2</b>	Price in the Market – Analyze how prices send signals and provide incentives to buyers and sellers in a competitive market	2	6
<b>E1.2.3</b>	Investment, Productivity and Growth – Analyze the role investments in physical (e.g., technology) and human capital (e.g., education) play in increasing productivity and how these influence the market	1	1
<b>E1.3 Prices, Supply, and Demand</b>		<b>Unit</b>	<b>Lesson</b>
<b>E1.3.1</b>	Law of Supply – Explain the law of supply and analyze the likely change in supply when there are changes in prices of the productive resources (e.g., labor, land, capital including technology), or the profit opportunities available to producers by selling other goods or services, or the number of sellers in a market	2	5
<b>E1.3.2</b>	Law of Demand – Explain the law of demand and analyze the likely change in demand when there are changes in prices of the goods or services, availability of alternative (substitute or complementary) goods or services, or changes in the number of buyers in a market created by such things as change in income or availability of credit	2	4

<b>E1.3.3</b>	Price, Equilibrium, Elasticity, and Incentives – Analyze how prices change through the interaction of buyers and sellers in a market including the role of supply, demand, equilibrium, elasticity, and explain how incentives (monetary and non-monetary) affect choices of households and economic organizations	2	6
<b>E1.4 Role of Government</b>		<b>Unit</b>	<b>Lesson</b>
<b>E1.4.1</b>	Public Policy and the Market – Analyze the impact of a change in public policy (such as an increase in the minimum wage, a new tax policy, or a change in interest rates) on consumers, producers, workers, savers, and investors	6	14-16
<b>E1.4.2</b>	Government and Consumers – Analyze the role of government in protecting consumers and enforcing contracts, (including property rights), and explain how this role influences the incentives (or disincentives) for people to produce and exchange goods and services	1	3
<b>E1.4.3</b>	Government Revenue and Services – Analyze the ways in which local and state governments generate revenue (e.g., income, sales, and property taxes) and use that revenue for public services (e.g., parks and highways)	6	14
<b>E1.4.4</b>	Functions of Government – Explain the various functions of government in a market economy including the provision of public goods and services, the creation of currency, the establishment of property rights, the enforcement of contracts, correcting for externalities and market failures, the redistribution of income, wealth, regulation of labor (e.g., minimum wage, child labor, working conditions) and the promotion of economic growth and security	1	2-3
<b>E1.4.5</b>	Economic Incentives and Government – Identify and explain how monetary and non-monetary incentives affect government officials and voters and explain how government policies affect the behavior of various people including consumers, savers, investors, workers, and producers	1	3

**Standard E2: THE NATIONAL ECONOMY OF THE UNITED STATES OF AMERICA**

<b>E2.1 Understanding National Markets</b>		<b>Unit</b>	<b>Lesson</b>
<b>E2.1.1</b>	Income – Describe how individuals and businesses earn income by selling productive resources	1	2
<b>E2.1.2</b>	Circular Flow and the National Economy – Using the concept of circular flow, analyze the roles of and the relationships between households, business firms, financial institutions, and government and non-government agencies in the economy of the United States	5	12

<b>E2.1.3</b>	Financial Institutions and Money Supply – Analyze how decisions by the Federal Reserve and actions by financial institutions (e.g., commercial banks, credit unions) regarding deposits and loans, impact the expansion and contraction of the money supply	6	16
<b>E2.1.4</b>	Money Supply, Inflation, and Recession – Explain the relationships between money supply, inflation, and recessions	6	16
<b>E2.1.5</b>	Gross Domestic Product (GDP) and Economic Growth – Use GDP data to measure the rate of economic growth in the United States and identify factors that have contributed to this economic growth	5	12
<b>E2.1.6</b>	Unemployment – Analyze the character of different types of unemployment including frictional, structural and cyclical	5	13.1
<b>E2.1.7</b>	Economic Indicators – Using a number of indicators, such as GDP, per capita GDP, unemployment rates, and Consumer Price Index, analyze the characteristics of business cycles, including the characteristics of peaks, recessions, and expansions	5	Economic Atlas and Data Bank and 12
<b>E2.1.8</b>	Relationship Between Expenditures and Revenue (Circular Flow) – Using the circular flow model, explain how spending on consumption, investment, government and net exports determines national income; explain how a decrease in total expenditures affects the value of a nation’s output of final goods and services.	5	12
<b>E2.1.9</b>	American Economy in the World – Analyze the changing relationship between the American economy and the global economy including, but not limited to, the increasing complexity of American economic activity (e.g., outsourcing, off-shoring, and supply-chaining) generated by the expansion of the global economy.	7	17 and 18.3
<b>E2.2 Role of Government in the United States Economy</b>		<b>Unit</b>	<b>Lesson</b>
<b>E2.2.1</b>	Federal Government and Macroeconomic Goals – Identify the three macroeconomic goals of an economic system (stable prices, low unemployment, and economic growth)	1	3
<b>E2.2.2</b>	Macroeconomic Policy Alternatives – Compare and contrast differing policy recommendations for the role of the Federal government in achieving the macroeconomic goals of stable prices, low unemployment, and economic growth	1	3

<b>E2.2.3</b>	Fiscal Policy and its Consequences – Analyze the consequences – intended and unintended – of using various tax and spending policies to achieve macroeconomic goals of stable prices, low unemployment, and economic growth	6	15
<b>E2.2.4</b>	Federal Reserve and Monetary Policy – Explain the roles and responsibilities of the Federal Reserve System and compare and contrast the consequences – intended and unintended – of different monetary policy actions of the Federal Reserve Board as a means to achieve macroeconomic goals of stable prices, low unemployment and economic growth	6	16
<b>E2.2.5</b>	Government Revenue and Services – Analyze the ways in which governments generate revenue on consumption, income and wealth and use that revenue for public services (e.g., parks and highways) and social welfare (e.g., social security, Medicaid, Medicare)	1 and 6	3 and 14

### Standard E3: INTERNATIONAL ECONOMY

<b>E3.1 Economic Systems</b>		<b>Unit</b>	<b>Lesson</b>
<b>E3.1.1</b>	Major Economic Systems – Gives examples of and analyze the strengths and weaknesses of major economic systems (command, market and mixed), including their philosophical and historical foundations (e.g., Marx and the Communist Manifesto, Adam Smith and the Wealth of Nations)	1	2
<b>E3.1.2</b>	Developing Nations – Assess how factors such as availability of natural resources, investments in human and physical capital, technical assistance, public attitudes and beliefs, property rights and free trade can affect economic growth in developing nations	7	18.3
<b>E3.1.3</b>	International Organizations and the World Economy – Evaluate the diverse impact of trade policies of the World Trade Organization, World Bank, or International Monetary Fund on developing economies of Africa, Central America, or Asia, and the developed economies of the United States and Western Europe	7	18.3
<b>E3.1.4</b>	GDP and Standard of Living – Using current and historical data on real per capita GDP for the United States, and at least three other countries (e.g., Japan, Somalia, and South Korea) construct a relationship between real GDP and standard of living	7	17
<b>E3.1.5</b>	Comparing Economic Systems – Using the three basic economic questions (e.g., what to produce, how to produce, and for whom to produce), compare and contrast a socialist (command) economy (such as North Korea or Cuba) with the Capitalist as a mixed, free market system of the United States	1	2

<b>E3.1.6</b>	Impact of Transitional Economies – Analyze the impact of transitional economies, such as in China and India, on the global economy in general and the American economy in particular	7	17
<b>E3.2 Economic Interdependence – Trade</b>		<b>Unit</b>	<b>Lesson</b>
<b>E3.2.1</b>	Absolute and Comparative Advantage – Use the concepts of absolute and comparative advantage to explain why goods and services are produced in one nation or locale versus another	7	17
<b>E3.2.2</b>	Domestic Activity and World Trade – Assess the impact of trade policies (i.e. tariffs, quotas, export subsidies, product standards and other barriers), monetary policy, exchange rates, and interest rates on domestic activity and world trade	7	17
<b>E3.2.3</b>	Exchange Rates and the World Trade – Describe how interest rates in the United States impact the value of the dollar against other currencies (such as the Euro), and explain how exchange rates affect the value of goods and services of the United States in other markets	7	17
<b>E3.2.4</b>	Monetary Policy and International Trade – Analyze how the decisions made by a country’s central bank (or the Federal Reserve) impact a nation’s international trade	7	17
<b>E3.2.5</b>	The Global Economy and the Marketplace – Analyze and describe how the global economy has changed the interaction of buyers and sellers, such as in the automobile industry	7	17 and 18.3

**Standard E4: PERSONAL FINANCE**

<b>E4.1 Decision Making</b>		<b>Unit</b>	<b>Lesson</b>
<b>E4.1.1</b>	Scarcity and Opportunity Costs – Apply concepts of scarcity and opportunity costs to personal financial decision making	Personal Finance Handbook	
<b>E4.1.2</b>	Marginal Benefit and Cost – Use examples and case studies to explain and evaluate the impact of marginal benefit and marginal cost of an activity on choices and decisions	Personal Finance Handbook	
<b>E4.1.3</b>	Personal Finance Strategy – Develop a personal finance strategy for earning, spending, saving and investing resources	Personal Finance Handbook	

<b>E4.1.4</b>	Key Components of Personal Finance – Evaluate key components of personal finance including, money management, saving and investment, spending and credit, income, mortgages, retirement, investing (e.g., 401K, IRAs), and insurance	Personal Finance Handbook
<b>E4.1.5</b>	Personal Decisions – Use a decision-making model (e.g., stating a problem, listing alternatives, establishing criteria, weighing options, making the decision, and evaluating the result) to evaluate the different aspects of personal finance including careers, savings and investing tools, and different forms of income generation	Personal Finance Handbook
<b>E4.1.6</b>	Risk Management Plan – Develop a risk management plan that uses a combination of avoidance, reduction, retention, and transfer (insurance)	Personal Finance Handbook