# Kentucky Department of Education - Course Standards

## Course Standards

**Course Code: 450601**

**Course Name: Economics**

**Grade Level: 9-12**

**Upon course completion students should be able to:**

| Standards |
|---|
| Big Idea: Economics |
| Economics includes the study of production, distribution and consumption of goods and services. Students need to understand how their economic decisions affect them, others, the nation and the world. The purpose of economic education is to enable individuals to function effectively both in their own personal lives and as citizens and participants in an increasingly connected world economy. Students need to understand the benefits and costs of economic interaction and interdependence among people, societies, and governments.<br><br>Academic Expectations<br>2.18 Students understand economic principles and are able to make economic decisions that have consequences in daily living.<br><br>High School Enduring Knowledge – Understandings<br>*Students will understand that:*<br>▪ the basic economic problem confronting individuals, societies and governments is scarcity; as a result of scarcity, economic choices and decisions must be made.<br>▪ economic systems are created by individuals, societies and governments to achieve broad goals (e.g., security, growth, freedom, efficiency, equity).<br>▪ markets (e.g., local, national, global) are institutional arrangements that enable buyers and sellers to exchange goods and services.<br>▪ all societies deal with questions about production, distribution and consumption.<br>▪ a variety of fundamental economic concepts (e.g., supply and demand, opportunity cost) affect individuals, societies and governments.<br>▪ our global economy provides for a level of interdependence among individuals, societies and governments of the world.<br>▪ the United States Government and its policies play a major role in the performance of the U.S. economy at both the national and international levels.<br>▪ in a global economy, interdependence results in economic conditions and policies in one nation affecting economic conditions in other nations.<br><br>High School Skills and Concepts<br>*Students will:*<br>▪ demonstrate an understanding of the nature of limited resources and scarcity in the modern world (1500 A.D. to present) and the United States (Reconstruction to present):<br>✓ explain how scarcity of resources necessitates choices at both the personal and societal levels, and explain the impact of those choices |

| Standards |
| --- |
| ✓ explain how governments with limited budgets consider revenues, costs and opportunity when planning expenditures<br>✓ describe how economic institutions (e.g., corporations, labor unions, banks, stock markets, cooperatives, partnerships) help to deal with scarcity<br>▪ compare and contrast economic systems (e.g., traditional, command, market, mixed), and evaluate their effectiveness in achieving broad social goals (e.g., freedom, efficiency, equity, security)<br>▪ analyze free enterprise systems, and explain strategies for maximizing profits based on different roles in the economy (e.g., producers, entrepreneurs, workers, savers and investors)<br>▪ describe relationships between and among markets (e.g., local, national, global) and exchange of goods and services:<br>✓ explain factors that influence the supply and demand of products (e.g., supply—technology, cost of inputs, number of sellers; demand—income, utility, price of similar products, consumers' preferences)<br>✓ describe how financial and non-financial incentives influence individuals differently (e.g., discounts, sales promotions, trends, personal convictions)<br>✓ explain or model cause-effect relationships between the level of competition in a market and the number of buyers and sellers<br>✓ research laws and government mandates (e.g., anti-trust legislation, tariff policy, regulatory policy) and analyze their purposes and effects in the United States and in the global marketplace<br>▪ investigate the production, distribution, and consumption of goods and services:<br>✓ analyze changing relationships between and among business, labor and government (e.g., unions, anti-trust laws, tariff policy, price controls, subsidies, tax incentives), and examine the effects of those changing relationships on production, distribution and consumption in the United States<br>✓ describe how different factors (e.g., new knowledge, technological change, investments in capital goods and human capital/resources) have increased productivity in the world<br>▪ explain results and issues related to interdependence of personal, national and international economic activities (e.g., natural resource dependencies, economic sanctions, environmental and humanitarian issues) in the modern world (1500 A.D. to present) and the United States (Reconstruction to present):<br>✓ analyze how economies of nations around the world (e.g., China, India, Japan) affect and are affected by American economic policies |