

Business Education Teachers of:
Albany High School
Bethlehem Central High School
Burnt Hills-Ballston Lake High School
Guilderland High School
Mohonasen High School

VIII. ECONOMICS IN BUSINESS

Course Description

A. Grade 12

_ year, _ credit

Economics explained: everything you need to know about how the economy works and where it is going will be covered in this half-year course. Economics doesn't have to be complicated—it can be very interesting and very relevant to our everyday lives. You will learn a logical way of thinking about economic matters through graphic representations, computer simulations, on-line research and reporting, and a seminar about economics with students from other schools. At the end of this course you will be prepared to make rational economic choices as citizens of a state, nation, and the world. This course will meet the economics course requirement for graduation.

IX. ECONOMICS IN BUSINESS

Learning Standards/Performance Indicators:

Students Will:

Define and apply basic economic concepts such as:

- Scarcity
- Supply/demand
- Opportunity costs
- Production
- Resources
- Money and Banking
- Economic Growth
- Markets
- Costs
- Competition
- World Economic Systems

Compare and contrast the United States economic system with other national economic systems, focusing on the three fundamental economic questions:

- What goods and services shall be produced and in what quantities?
- How shall goods and services be produced?
- For whom shall goods and services be produced?

Explain how economic decision making has become global as a result of interdependent work economy.

Understand the roles in the economic system of consumers, producers, workers, investors, and voters.

Apply a problem-solving model to:

- Identify economic problems or issues
- Generate hypotheses
- Test hypotheses
- Investigate and analyze selected data
- Consider alternative solutions or positions
- Make decisions about the best solution or position

Present economic information and conclusions in different formats including:

- Graphic representation
- Computer models
- Research reports
- Oral presentations

Source: NYSED School Executive Bulletin, October, 1999

REFERENCE MATERIALS USED FOR CURRICULUM DEVELOPMENT:

ECONOMICS TODAY & TOMORROW (0-02-823596-7), R. L. Miller, Glencoe/McGraw-Hill, 1999

ECONOMICS (0-538-43037-0 TE), Wilson & Clark, West Educational Publishing/Thomson Learning, 2000

ECONOMICS PRINCIPLES AND PRACTICES (0-02-823560-6), Gary E. Clayton, Glencoe/McGraw-Hill, 1999

BUSINESS IN A GLOBAL ECONOMY (0-538-62290-3), Les R. Dlabay and James Calvert Scott, South Western Publishing Co., 1996

ECONOMIC EDUCATION FOR CONSUMERS (0-538-68690-1), Roger LeRoy Miller and Alan D. Stafford, South Western Educational Publishing Co., 2000

ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT (0-02-644068-7), Dr. Earl Meyer and Dr. Kathleen R. Allen, Glencoe/McGraw-Hill, 2000

New York State Learning Standards

National Council on Economic Education Standards

Content/Concept	New York State Standard Social Studies	National Council on Economic Education Standard	Other New York State Standards
<p>II. Microeconomics</p> <ul style="list-style-type: none"> A. Introduction to Economics B. Choices C. Opportunity Costs D. Basic Economic Questions E. Economic Systems F. Economic Decision-Making Model G. Private Sector vs. Public Sector 	<p><u>SS 4-1</u> The study of economics requires an understanding of major economic concepts and systems, the principles of economic decision making, and the interdependence of economies and economic systems throughout the world.</p> <p><u>SS 4-2</u> Economics requires the development and application of the skills needed to make informed and well-reasoned economic decisions in daily and national life.</p>	<p><u>NCEE 1</u> Productive resources are limited. Therefore, people cannot have all the goods and services they want; as a result, they must choose some things and give up others.</p> <p><u>NCEE 2</u> Effective decision making requires comparing the additional costs of alternatives with the additional benefits. Most choices involve doing a little more or a little less of something: few choices are “all or nothing” decisions.</p> <p><u>NCEE 3</u> Different methods can be used to allocate goods and services. People acting individually or collectively through government, must choose which methods to use to allocate different kinds of goods and services.</p>	<p><u>Career Development and Occupational Studies 3A (CDOS)</u> Universal Foundation Skills: Students will demonstrate mastery of the foundation skills and competencies essential for success in the workplace.</p> <p><u>English Language Arts 1 (ELA)</u> Language for Information and Understanding: Students will listen, speak, read, and write for information and understanding. As listeners and readers, students will collect data, facts, and ideas; discover relationships, concepts, and generalizations; and use knowledge generated from oral, written, and electronically produced texts. As speakers and writers, they will use oral and written language that follows the accepted conventions of the English</p>

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		<p><u>NCEE 7</u> Markets exist when buyers and sellers interact. This interaction determines market prices and thereby allocates scarce goods and services.</p>	<p>language to acquire, interpret, apply, and transmit information. <u>English Language Arts 3 (ELA)</u> Language for Critical Analysis and Evaluation: Students will listen, speak, read, and write for critical analysis and evaluation. As listeners and readers, students will analyze experiences, ideas, information, and issues presented by others using a variety of established criteria. As speakers and writers, they will use oral and written language to present, from a variety of perspectives, their opinions and judgments on experiences, ideas, information and issues. <u>Math, Science, and Technology 1 (MST)</u> Analysis, Inquiry, and Design: Students will use mathematical analysis, scientific inquiry, and</p>

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			<p>engineering design, as appropriate, to pose questions, seek answers, and develop solutions.</p> <p><u>Math, Science, and Technology 2 (MST)</u></p> <p>Information Systems: Students will access, generate, process, and transfer information using appropriate technologies.</p>

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<p>III. Making Economic Decisions</p> <ul style="list-style-type: none"> A. Supply and Demand B. Pricing C. Types of Businesses D. Market Characteristics E. Competition F. Market Economy G. Labor H. Personal Income 	<p><u>SS 4-1</u> <u>SS 4-2</u></p>	<p><u>NCEE 1</u> <u>NCEE 2</u> <u>NCEE 4</u> People respond predictably to positive and negative incentives. <u>NCEE 7</u> <u>NCEE 8</u> Prices send signals and provide incentives to buyers and sellers. When supply or demand changes, market prices adjust affecting incentives. <u>NCEE 9</u> Competition among sellers lowers costs and prices, and encourages producers to produce more of what consumers are willing and able to buy. Competition among buyers increases prices and allocates goods and services to those people who are willing and able to pay the most for them. <u>NCEE 17</u> Costs of government policies sometimes exceed</p>	<p><u>CDOS 3A</u> <u>ELA 1 and 3</u> <u>MST 1 and 2</u></p>

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		<p>benefits. This may occur because of incentives facing voters, government officials, and government employees, because of actions by special interest groups that can impose costs on the general public, or because social goals other than economic efficiency are being pursued.</p>	

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<p>IV. Macroeconomics</p> <ul style="list-style-type: none"> A. Measuring Economic Activity B. Distribution of Income C. Unemployment D. Inflation E. Money, Banking, Federal Reserve F. Monetary Policy G. Taxes H. Fiscal Policy I. Economic Growth 	<p><u>SS 4-1</u> <u>SS 4-2</u></p>	<p><u>NCEE 6</u> When individuals, regions, and nations specialize in what they can produce at the lowest cost and then trade with others, both production and consumption increase. <u>NCEE 10</u> Institutions evolve in market economics to help individuals and groups accomplish their goals. Banks, labor unions, corporations, legal systems, and not-for-profit organizations are examples of important institutions. A different kind of institution, clearly defined and enforced property rights, is essential to a market economy. <u>NCEE 11</u> Money makes it easier to trade, borrow, save, invest, and compare the value of goods and services. <u>NCEE 12</u> Interest rates, adjusted for</p>	<p><u>CDOS 3A</u> <u>ELA 1 and 3</u> <u>MST 1 and 2</u></p>

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		<p>inflations, rise and fall to balance the amount saved with the amount borrowed, which affects the allocation of scarce resources between present and future uses.</p> <p><u>NCEE 13</u> Income for most people is determined by the market value of the productive resources they sell. What workers earn depends, primarily, on the market value of what they produce and how productive they are.</p> <p><u>NCEE 15</u> Investment in factories, machinery, new technology, and in health, education, and training of people can raise future standards of living.</p> <p><u>NCEE 16</u> There is an economic role for government in a market economy whenever the benefits of a government policy outweigh its costs.</p>	

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		<p>Governments often provide for national defense, address environmental concerns, define and protect property rights, and attempt to make markets more competitive. Most government policies also redistribute income.</p> <p><u>NCEE 18</u> A national's overall levels of income employment, and prices are determined by the interaction of spending and production decisions made by all households, firms, government agencies, and others in the economy.</p> <p><u>NCEE 19</u> Unemployment imposes costs on individuals and nations. Unexpected inflation imposes costs on many people and benefits some others because it arbitrarily redistributes purchasing power. Inflation can reduce the rate of growth of national</p>	

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		<p>living standards because individuals and organizations use resources to protect themselves against the uncertainty of future prices.</p> <p><u>NCEE 20</u></p> <p>Federal government budgetary policy and the Federal Reserve System's monetary policy influence the overall levels of employment, output, and prices.</p>	

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<p>V. World Economy</p> <ul style="list-style-type: none"> A. Global Markets B. Economic Development C. International Trade 	<p><u>SS 4-1</u> <u>SS 4-2</u></p>	<p><u>NCEE 3</u> <u>NCEE 5</u> Voluntary exchange occurs only when all participating parties expect to gain. This is true for trade among individuals or organizations within a nation, and usually among individuals or organizations in different nations. <u>NCEE 6</u> <u>NCEE 17</u></p>	<p><u>CDOS 2</u> Integrated Learning: Students will demonstrate how academic knowledge and skills are applied in the workplace and other settings. <u>CDOS 3A</u> <u>Languages Other Than English 2</u> Cultural Understanding: Students will develop cross-cultural skills and understandings. <u>ELA 1 and 3</u> <u>MST 2</u></p>

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<p>VI. Entrepreneurship</p> <ul style="list-style-type: none"> A. Starting a Business B. Sole Proprietorships and Partnerships C. Corporate vs. Franchise 		<p><u>NCEE 1</u> <u>NCEE 2</u> <u>NCEE 9</u> <u>NCEE 13</u> <u>NCEE 14</u> Entrepreneurs are people who take the risks of organizing productive resources to make goods and services. Profit is an important incentive that leads entrepreneurs to accept the risks of business failure. <u>NCEE 15</u> <u>NCEE 17</u> <u>NCEE 19</u> Unemployment imposes costs on individuals and nations. Unexpected inflation imposes costs on many people and benefits some others because it arbitrarily redistributes purchasing power. Inflation can reduce the rate of growth of national living standards because individuals and organizations use resources</p>	<p><u>CDOS 1</u> Career Development Students will be knowledgeable about the world of work, explore career options, and relate personal skills, aptitudes, and abilities to future career decisions. <u>CDOS 2 and 3A</u> <u>ELA 1 and 3</u> <u>MST 2</u> <u>MST 7</u> Interdisciplinary Problem Solving: Students will apply the knowledge and thinking skills of mathematics, science, and technology to address real-life problems and make informed decisions.</p>

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		to protect themselves against the uncertainty of future prices.	

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VII. Finance A. Consumption and Income B. Saving and Investing C. Credit and Loans		<u>NCEE 12</u> <u>NCEE 15</u> <u>NCEE 20</u>	<u>CDOS 1, 2, and 3A</u> <u>ELA 1 and 3</u> <u>MST 1 and 2</u> <u>Health, Physical Education, Family and Consumer Sciences 3</u> Resource Management: Students will understand and be able to manage their personal and community resources.

Goals/Objectives	Wks	Activities	Materials/Resources	Assessments
<p>VIII. Microeconomics</p> <p>A. Choices</p> <ol style="list-style-type: none"> 1. Define economics as how people allocate their limited resources to satisfy needs and wants 2. Explain how limited resources force people, and businesses to make choices. <p>B. Opportunity Costs</p> <ol style="list-style-type: none"> 1. Explain the relationship between trade-offs and opportunity cost. <p>C. Basic Economic Questions</p> <ol style="list-style-type: none"> 1. Explain the economic questions i.e. what will be produced, how will it 	<p>2</p>	<p>Read: pages 2 -7 Lecture Internet activity Discussion: How can you determine whether or not something is truly a need? How can needs be confused with wants? Critical writing: Answer the following “If an item that everyone needs is scarce, how can it be allocated? Focus: Scarcity</p> <p>Read: pages 12 – 16 Q & A: Rain Forest, historical building & college education Assessment</p> <p>Read: Pages 31 - 39 Graph - Choices. Hands On: Small group activity. Find</p>		<p>Chapter 2 Test</p>

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<p>be produced, who will produce it and for whom will it be produced.</p> <p>D. Economic Systems</p> <p>1. List and summarize the major economic systems i.e. market, command, traditional and their differences</p> <p>E. Economic Decision-Making Model</p> <p>1. Describe and give examples of</p>		<p>articles that discuss economic decisions.</p> <p>Internet activity: Focus on Free Enterprise- Amazon.com</p> <p>Discussion: Why can't nations produce as much as they want? What factors are there to consider on how to produce? How should goods be distributed?</p> <p>Group activity: Each group explains the advantages/disadvantages of their assigned system. Search magazines/newspapers/internet for examples of each. Prepare bulletin board with results.</p> <p>Group activity: Divide class into three groups. Each will</p>		

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<p>economic decision-making models.</p> <p>2. Explain the purpose of economic decision-making models.</p> <p>F. Private Sector vs. Public Sector and the American Economy</p> <p>1. Describe the role of government in the free enterprise system.</p> <p>2. Explain the importance of freedom of enterprise in the American economy.</p> <p>3. List the advantages of private property.</p> <p>4. Identify the role of the profit incentive.</p> <p>5. Evaluate competition in the American free enterprise system.</p>		<p>prepare an economic model using consumer testing of products.</p> <p>Read pages 40 – 44</p> <p>Lecture</p> <p>Vocabulary</p> <p>Focus: Market Economy</p> <p>Discussion: What types of things might cause a popular product to be discontinued? To what degree does the risk of losing money deter people from starting a new company? Why does it deter some people more than others?</p> <p>Writing activity: Type a page describing a situation in which quality was more important to you than price and vice versa. How did you compare quality?</p>		