



MINNESOTA
Academic Standards – Economics Grades 9-12
***Economics: Principles & Practices* © 2005**

OBJECTIVES	PAGE REFERENCES
VI. ECONOMICS	
A. The Market Economy (Micro Economics) The student will understand that in a market economy income is earned in different ways.	
1. Students will identify multiple forms of income and their sources.	SE: 205-209, 318-325 <i>Careers</i> 24, 49, 73, 97, 118, 152, 166, 202, 249, 268, 304, 324, 398, 429, 457, 484, 498, 554 <i>Profiles in Economics</i> 291 TWE: CT 208 FEA 207
2. Students will recognize types and roles of firms.	SE: 57-66, 72-73, 314-315 TWE: AFC 56B EC 65 FEA 59, 70
The student will understand business organizations, market structures, and financial institutions that operate within our economy.	
1. Students will identify and compare and contrast various industries and the occupations related to them.	SE: 205-209, 455 <i>Careers</i> 24, 49, 73, 97, 118, 152, 166, 202, 249, 268, 304, 324, 398, 429, 457, 484, 498, 554 TWE: FEA 207
2. Students will compare and contrast the concepts of competition and monopoly, and predict consequences of each.	SE: 48, 163-171 TWE: AFC 162B C 171 EC 169 ECP 162 FEA 170
3. Students will describe various financial institutions, compare and contrast their roles, and explain how those institutions relate to their lives.	SE: 302-303, 314-316, 407-413, 426-431 <i>Business Week</i> 306 TWE: EC 304 FEA 302, 315
The student will understand the basic characteristics of markets and the role of prices in modern market economies.	
1. Students will describe the determination of equilibrium market prices by applying principles of supply and demand to markets for goods and services.	SE: 89-93, 95-99, 101-107, 113-120, 137-139, 140, 142-148 TWE: C 148 CT 92 ECP 136

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2. Students will identify the direct and indirect effects of price floors and price ceilings.	SE: 44, 151-152, 216 <i>Cover Story</i> 41 TWE: EC 215
3. Students will identify several factors that lead to variation in market prices and quantities exchanged by changes in supply and/or demand.	SE: 140, 142-148 TWE: C 140, 148
4. Students will explain how interest rates and exchange rates are influenced by market conditions and how changes in interest rates affect individual and business decision-making.	SE: 419, 426-428, 429, 431, 483-484, 534 <i>Standard & Poor's Infobyte</i> 428
The student will understand that firms in a market economy experience varying degrees of competition for the good or service that they sell.	
1. Students will explain how competition among sellers often results in lower prices, higher product quality, better customer service and a more efficient allocation of scarce resources.	SE: 48, 137-138, 163-171 TWE: C 171 ECP 162
The student will understand the risks and opportunities associated with entrepreneurship.	
1. Students will explain that entrepreneurs accept the risks associated with organizing productive resources to produce goods and services, with the hope to earn profits.	SE: 8, 48-49, 368 <i>Business Week</i> 11 <i>Cybernomics Spotlight</i> 60-61, 104-105 <i>Profiles in Economics</i> 52, 121, 172, 291, 317, 355, 446, 471
2. Students will describe the role of innovation and profit motive in helping to reduce problems associated with scarcity.	SE: 48, 548-549 TWE: EC 536 FEA 377 ICA 168
The student will understand the role of labor in the economy.	
1. Students will describe the role and characteristics of collective bargaining, as well as the key components of a typical negotiated labor management contract.	SE: 76-77, 202-203, 212 <i>Cover Story</i> 193 TWE: FEA 202
2. Students will describe and analyze the role of unions in the United States economy in the past and present.	SE: 76-77, 193-198, 200-203, 211-213 <i>Profiles in Economics</i> 204 TWE: C 198 ECP 192
The student will understand the economic role of government in a free market economy.	
1. Students will identify that one important role for government in the economy is to secure and enforce property rights.	SE: 47-48, 501-502 <i>Did You Know?</i> 458 TWE: CT 49 FEA 129, 503
2. Students will identify and explain public goods.	SE: 78-79, 176 TWE: EC 50 FEA 175 IW 174
3. Students will recognize that, in the United States, the federal government enforces antitrust laws and regulations to try to maintain effective levels of competition in as many markets as possible.	SE: 51, 79, 178-183 TWE: CT 181 MSN 179

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4. Students will recognize that some government policies attempt to redistribute income.	SE: 42, 257, 397-400 <i>Issues in Free Enterprise</i> 188-189
B. The National Economy (Macro Economics) The student will understand the economic activities of government.	
1. Students will explain that the government pays for the goods and services it provides through taxing and borrowing.	SE: 223-229, 231-236, 238-242, 255-257, 260-265, 267-270, 272-278 TWE: CT 275 EC 276 FEA 274 ICA 277
2. Students will explain how the government regulates economic activity to promote the public welfare, encourage competition, and protect against monopolistic abuses.	SE: 51, 66, 79, 178-183 TWE: CT 181 EC 411 MSN 179
The student will understand the concepts that measure the national economy.	
1. Students will define and give examples of basic economic terms.	SE: 341-348, 350-354, 363-364, 382-387, 389-392 TWE: ECP 340
2. Students will give examples of measurements that indicate the economic conditions of depression, recession, and expansion.	SE: 341-348, 350-354, 363-368, 379-380, 382-387, 389-392 TWE: ECP 340
The student will understand and explain that the U.S. economy is primarily a free market system.	
1. Students will understand and explain that free market economies are regulated primarily by supply and demand, and that competition is essential to a free market economy.	SE: 48, 89-93, 95-99, 101-107, 113-120, 137-139, 140, 142-148, 174 TWE: C 148 CT 92 ECP 136, 162
The student will understand basic measures of overall economic performance.	
1. Students will analyze the interrelationships among the unemployment rate, the inflation rate, and the rate of economic growth.	SE: 363-368, 382-387, 389-392
2. Students will describe how the concept of the balance of trade is used to measure the international flow of goods and services.	SE: 476, 483-485 TWE: C 485
The student will analyze the causes and consequences of overall economic fluctuations.	
1. Students will describe the basic characteristics of economic recessions and economic expansions.	SE: 375-380 <i>Standard & Poor's Infobyte</i> 378 TWE: FEA 377
2. Students will understand some of the reasons for fluctuations in economic activity.	SE: 377-379 TWE: CT 378 ECP 374 FEA 377
The student will understand the influence of federal government budgetary policy and the Federal Reserve System's monetary policy.	
1. Students will identify that fiscal policies are decisions to change spending and/or tax levels by the federal government.	SE: 447-453 TWE: EC 451 ECP 436
2. Students will explain the direct and indirect effects of fiscal policy on employment, output, and interest rates.	SE: 223-226, 456-458 TWE: CT 450 FEA 449

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3. Students will explain the relationship between federal budget deficits and the national debt.	SE: 272-278 TWE: C 431 CT 274 FEA 274 ICA 277
4. Students will identify the ways in which monetary policy influences employment, output, inflation, and interest rates.	SE: 379, 453-454, 458-459 TWE: ECP 436 FEA 449
5. Students will explain how interest rates influence business investment spending and consumer spending on housing, cars, and other major purchases.	SE: 419, 426-428, 429, 431, 453
The student will understand that economic growth is the primary means by which a country can improve the future economic standard of living for its citizens.	
1. Students will explain that Gross Domestic Product (GDP) per capita is a measure that permits comparisons of material living standards over time and among people in different nations.	SE: 341-344, 350-354, 356, A10-A11 TWE: ECP 520
2. Students will identify that the productivity of workers is measured by dividing the output of goods and services by the number of hours worked.	SE: 122-125, 368 TWE: FEA 124, 365
3. Students will recognize that standards of living increase as the productivity of workers rises.	SE: 368 <i>The Global Economy</i> 559 TWE: ECP 520 FEA 115
4. Students will understand that investments in physical capital (machinery, equipment, and structures), human capital (education, training, skills), and new technologies commonly increase productivity and contribute to an expansion of future economic prosperity.	SE: 16-17, 313 <i>Cover Story</i> 205 TWE: EC 16, 264, 536 FEA 115, 365 ICA 168
C. Essential Skills The student will understand and use economic concepts, theories, principles and quantitative methods to analyze current events.	
1. Students will use tables, graphs, equations, diagrams, and charts to interpret economic information.	SE: 15, 145, 274, 315, 347, 364-365, 399, 522-523, A10-A29 TWE: ECP 136, 192, 284, 466, 490, 520 MIR 338
2. Students will evaluate the economic implications of current issues as found in such sources as magazine articles, radio and television reports, editorials, and Internet sites.	TWE: CT 36, 344, 459, 555 EC 374 ECP 112, 162, 222, 312 FEA 202 RIE 310
3. Students will distinguish among the contributions to economic thought made by leading theorists including, but not limited to, Adam Smith, Thomas Malthus, Karl Marx, Milton Friedman, and John Maynard Keynes.	SE: 163, 448-449, 531, 545-546 <i>Did You Know?</i> 474 <i>Profiles in Economics</i> 18, 141, 266, 500, 551

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The student will learn and be able to apply personal financial management and investment practices.	
1. Students will analyze short- and long-term investment options such as stocks, bonds, real estate, and mutual funds by comparing the risk, return, and liquidity of these instruments.	SE: 313-316, 318-326 <i>Business Week</i> 327 <i>The Global Economy</i> 323 TWE: AFC 312B CT 321 FEA 320, 324 ICA 323
2. Students will recognize a proper role for credit and how to utilize risk management strategies including the use of insurance.	SE: 315-316 <i>Economics in Action Workshop</i> 310-311 TWE: FEA 302, 315
3. Students will explain the concepts of compound interest and the Rule of 72, and the applicability to both investment gains and debt retirement.	SE: 320 Note: This objective can be covered during classroom discussion of investments and interest.
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1. Students will understand and apply the concepts of comparative and absolute advantage in international trade.	SE: 467, 469-470 TWE: FEA 469 ICA 118 MSN 468
2. Students will analyze the controversy and major arguments for and against international trade agreements such as NAFTA and GATT.	SE: 474-479 TWE: EC 478 FEA 474
3. Students will know the major characteristics of the principal types of economic systems in this world and compare and contrast them with the U.S. system.	SE: 33-39, 46-51, 491-494, 496-499, 503-507, 509-514 TWE: EC 513 ECP 490 FEA 129, 511 ICA 38
4. Students will know and understand the significance of these concepts: trade deficits, exchange rates, trade barriers, balance of trade, foreign exchange markets, and give examples of their current application to U.S. trade relationships with other countries in the world.	SE: 467-470, 472-479, 481-485 <i>Business Week</i> 480 <i>Cover Story</i> 472 TWE: AFC 466B C 485 EC 476 ECP 476 FEA 483 MSN 468
5. Students will know the roles of the World Bank and IMF, analyze their effectiveness in the world community, and critique their operation in a specific country.	SE: 526, 530-531, 534-535 TWE: FEA 530
6. Students will examine the impact of U.S. foreign policy on the economies of developing countries.	SE: 530 <i>Cover Story</i> 528 <i>The Global Economy</i> 530 <i>Standard & Poor's Infobyte</i> 534 TWE: C 530

OBJECTIVES	PAGE REFERENCES
7. Students will know and analyze the reasons some countries are characterized as developing nations.	SE: 521-526, 528-529 <i>Profiles in Economics</i> 527 TWE: C 526 ECP 520 FEA 523
8. Students will examine the purpose and evaluate the effectiveness of U.S. economic aid to developing countries.	SE: 522, 530 <i>Cover Story</i> 528 <i>Standard & Poor's Infobyte</i> 534 TWE: C 531
E. Economics and Public Policy The student will apply economic theories and concepts to public policy issues.	
1. Students will know the definitions, evaluate the purposes, and analyze the effects of the following economic activities: government subsidies, government incentives, economic externalities, profit maximization, multinational corporations, unions, right to work laws, government deregulation, entitlements, progressive taxes, government's role in providing in public goods, economic safety nets, and corporate crime.	SE: 72-73, 131, 153-155, 164-166, 167, 168-169, 171, 175-176, 194-198, 200-203, 224, 229, 232-233, 304, 397-398, 449-450, 554-556 <i>Cover Story</i> 150, 173 <i>Cybernomics Spotlight</i> 454 TWE: CT 153, 450 FEA 152
2. Students will use their knowledge of economic concepts and data to analyze a significant national public policy issue and recommend a solution.	SE: <i>Business Week</i> 45 <i>Issues in Free Enterprise</i> 188-189, 282-283 TWE: FEA 439, 444
3. Students will know and analyze how income and wealth are distributed among different sectors of the population.	SE: 394-395, 399 <i>Cover Story</i> 394 TWE: CT 397 EC 398 ICA 399
4. Students will know how poverty is defined in the U.S., what its causes are, examine possible solutions, and analyze the impact poverty has on the short and long run health of the economy.	SE: 395-397 <i>Cover Story</i> 394 TWE: CT 397 EC 398 FEA 396
5. Students will use their knowledge of economics to describe and analyze significant world economic issues.	SE: 522, 545-550 <i>Business Week</i> 557 <i>Issues in Free Enterprise</i> 542-543 TWE: C 550 CT 524 EC 536 ECP 544 FEA 530 MSN 553
6. Students will use the analytical skills commonly used in economics to analyze public policy issues in their community, state, and nation.	SE: 558-560 <i>Skill Activities</i> 108, 149, 432, 486, 538, 562 <i>Standard & Poor's Infobyte</i> 560
7. Students will identify and analyze the conflicts that can result from differences between business interests and community interests.	SE: <i>Business Week</i> 45, 557 <i>Issues in Free Enterprise</i> 282-283 TWE: ICA 24 MSN 553

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8. Students will examine and analyze the economic principles practiced in this country to determine their consistency with the democratic principles upon which our country is based.	SE: 41-43, 46-51, 178-183, 214-215, 216, 397-398, 449-450

Codes Used for TWE Pages

AFC	Activity from the Classroom of...
C	Close
CT	Critical Thinking
EC	Extending the Content
ECP	Extra Credit Project
FEA	Free Enterprise Activity
ICA	Interdisciplinary Connections Activity
IW	Informative Writing
MIR	Making It Relevant
MSN	Meeting Special Needs
RIE	Relevant Issues in Economics