

**Randolph Township Schools  
Randolph Middle School**

# Economics and Investment Curriculum

*“Those who cannot remember the past are condemned to repeat it.”*

-George Santayana

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**Randolph Township Schools  
Department of Humanities  
Economics & Investment**

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## **Randolph Township Schools**

### **Mission Statement**

*We commit to inspiring and empowering all students in Randolph schools to reach their full potential as unique, responsible and educated members of a global society.*

### **Randolph Township Schools Affirmative Action Statement**

#### **Equality and Equity in Curriculum**

The Randolph Township School district ensures that the district's curriculum and instruction are aligned to the state's standards. The curriculum provides equity in instruction, educational programs and provides all students the opportunity to interact positively with others regardless of race, creed, color, national origin, ancestry, age, marital status, affectional or sexual orientation, gender, religion, disability or socioeconomic status.

N.J.A.C. 6A:7-1.7(b): Section 504, Rehabilitation Act of 1973; N.J.S.A. 10:5; Title IX, Education Amendments of 1972

# **RANDOLPH TOWNSHIP BOARD OF EDUCATION**

## **EDUCATIONAL GOALS**

### **VALUES IN EDUCATION**

The statements represent the beliefs and values regarding our educational system. Education is the key to self-actualization, which is realized through achievement and self-respect. We believe our entire system must not only represent these values, but also demonstrate them in all that we do as a school system.

We believe:

- The needs of the child come first.
- Mutual respect and trust are the cornerstones of a learning community.
- The learning community consists of students, educators, parents, administrators, educational support personnel, the community and Board of Education members.
- A successful learning community communicates honestly and openly in a non-threatening environment.
- Members of our learning community have different needs at different times. There is openness to the challenge of meeting those needs in professional and supportive ways.
- Assessment of professionals (i.e., educators, administrators and educational support personnel) is a dynamic process that requires review and revision based on evolving research, practices and experiences.
- Development of desired capabilities comes in stages and is achieved through hard work, reflection and ongoing growth.

**Randolph Township Schools  
Department of Humanities  
Economics and Investment**

**Introduction**

This is an eleventh and twelfth grade elective, semester course in Economics and Investment that prepares students for further study at the collegiate level. There are no prerequisites for this course. Economics and Investment is designed to introduce students to the study of economics in order for them to gain understanding of the economic system of the United States. In today's interconnected world, it is imperative that students gain understanding of the importance of economics and how it relates to their everyday lives. The course will promote understanding of the complexities of economic principles such as scarcity, supply and demand, allocation and distribution functions, comparative advantage, specialization, and government regulation. Additionally, this course is designed to provide students with a broad knowledge of capital markets and capital investment, financial institutions and products, and the financial theory for making sound investment decisions. Concurrently, this course will further the students' financial literacy, so they will be able to assess the costs and benefits of proposed solutions to our nation's economic challenges. Opportunities exist for interdisciplinary units with courses such as Economics, Marketing, Introduction to Business and Social Studies.

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Curriculum Pacing Chart**  
**Economics and Investment**

<b>SUGGESTED TIME ALLOTMENT</b>	<b>UNIT NUMBER</b>	<b>CONTENT - UNIT OF STUDY</b>
<b>3 weeks</b>	<b>Unit I</b>	<b>Concepts of Economics</b>
<b>3 weeks</b>	<b>Unit II</b>	<b>Market Oriented Exchange Based Economics</b>
<b>4 weeks</b>	<b>Unit III</b>	<b>Capitalism and the Five Fundamental Questions</b>
<b>4 weeks</b>	<b>Unit IV</b>	<b>Basic Economic Roles of Government</b>
<b>4 weeks</b>	<b>Unit V</b>	<b>Investment</b>

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**UNIT I: Concepts of Economics**

**TRANSFER:** Students will be able to explicitly evaluate the value of alternative opportunities to facilitate stronger economic decisions at the personal, national and global level.

<p><b>GOALS:</b></p> <p>CEE 1:12:1- Choices made by individuals, firms, or government officials are constrained by the resources to which they have access.</p> <p>CEE 7:12:1- Market outcomes depend on the resources available to buyers and sellers, and of government policies.</p> <p>CEE 7:12:2- A shortage occurs when buyers want to purchase more than producers want to sell at the prevailing price.</p> <p>CEE 9:12:1- The pursuit of self-interest in competitive markets usually leads to choices and behavior that also promote the national level of well-being.</p> <p>CEE 15:12:1- Economic growth is a sustained rise in a nation's production of goods and services. Long term growth in output results from improvements in labor productivity and increases in employment. It varies across countries because of differences in investments in human and physical capital, research and development, technological change, and from alternative institutional arrangements and incentives.</p> <p>NJSLS 6.1.12.c.2.a- Assess the effectiveness of the new state and national governments</p>	<b>ENDURING UNDERSTANDINGS</b>	<b>ESSENTIAL QUESTIONS</b>
	Decisions concerning the allocation and use of resources impact individuals, groups, and institutions.	<ul style="list-style-type: none"> <li>How might economic needs and wants affect decisions of individuals, groups, and institutions?</li> </ul>
	Economic ideas and decisions made in the past influence the present.	<ul style="list-style-type: none"> <li>Why and how do different economies make different decisions?</li> </ul>
	Limited resources and unlimited wants result in people making choices. As a result, society must choose some things and give up others.	<ul style="list-style-type: none"> <li>How should an economy be structured to maximize efficiency?</li> </ul>
	<b>KNOWLEDGE</b>	<b>SKILLS</b>
	<p><b>Students will know:</b></p> <p>Economics is the study of how people seek to satisfy their needs and wants by making choices.</p> <p>The study of economics begins with the idea that people cannot have everything they need and want, as a result they must consider options and decide which choice will best fill needs.</p>	<p><b>Students will be able to:</b></p> <p>Define economics and describe why individuals must make choices.</p> <p>In writing, compare the different systems of economics.</p>

<p>attempts to respond to economic challenges including domestic and foreign trade policy.</p> <p>NJSJS 6.1.12.C.3.b- Relate the wealth of natural resources to the economic development of the United States and to the quality of life of individuals.</p> <p>NJSLS 6.1.12.C.14.c- Analyze economic trends, income distribution, labor participation, and government and consumer debt and their impact on society.</p> <p>NJSLS 6.1.12.C.14.d- Relate the changing manufacturing, service, science, and technology industries and educational opportunities to the economy and social dynamics in New Jersey.</p>	<p><b>Scarcity</b></p> <ul style="list-style-type: none"> <li>• impacts choices.</li> <li>• is defined as limited quantities of resources to meet unlimited wants.</li> </ul> <p><b>Three factors of production are:</b></p> <ul style="list-style-type: none"> <li>• <b>Land:</b> natural resources that are used to make goods and services.</li> <li>• <b>Labor:</b> the effort that people devote to a task for which they are paid.</li> <li>• <b>Capital:</b> any human made resource that is used to create other goods or services</li> </ul> <p>An economic system is the method used by a society to produce and distribute goods and services. The economic system a society employs depends on that society’s goals and values. Examples of economic systems are:</p> <ul style="list-style-type: none"> <li>• <b>Traditional Economy</b> – relies on habit custom or ritual to decide what to produce, how to produce it and to whom to distribute it.</li> <li>• <b>Market Economies (free markets)</b> – decisions are made by individuals and are based on exchange or trade.</li> <li>• <b>Centrally Planned Economy (command economies)</b> – the government alone decides what to produce, how to produce it and to whom it should be distributed.</li> <li>• <b>Mixed Economy</b> – a combination of traditional, market and centrally planned economies.</li> </ul> <p>Economic systems vary by country and are often a source of international tension and conflict.</p>	<p>In writing and discussion, compare the concepts of scarcity and shortage.</p> <p>Identify land, labor, and capital as the three factors of production through class discussion and in reflective writing practices.</p> <p>Analyze the importance of systems in historical context and discuss their influence in the development of the country’s marketplace. Determine the economic system of a given country through a written evaluation of attributes.</p> <p>In writing, compare the economic systems of various global and international communities.</p> <p>Discuss current economic policies of the United States and the various perceptions of those policies from multiple perspectives.</p>
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	<p><b>VOCABULARY AND KEY TERMS:</b>  Economics, Scarcity, Land, Labor, Capital, Market Economies, Capitalism, Communism, Traditional Economy, Distribution, Opportunity Cost, Labor Force, Centrally Planned Economy, Mixed Economy</p>	
<p><b>ASSESSMENT EVIDENCE: Students will show their learning in a formative and summative manner by:</b></p> <ul style="list-style-type: none"> <li>• Discussing the economic systems that various countries use to best utilize their limited factors of production.</li> <li>• Presenting, through speech and writing, how different businesses utilize the basic factors of production.</li> <li>• Daily and Unit assessments including: quizzes, tests, case studies, individual projects, group projects, Socratic seminars and reflection, homework, and surveys via Google and Microsoft.</li> </ul> <p><b>KEY LEARNING EVENTS AND INSTRUCTION:</b></p> <ul style="list-style-type: none"> <li>• Students will evaluate the long and short-term opportunity costs of seeking or failing to seek education after high school.</li> <li>• Students will chart all direct and indirect costs associated with two distinct salaries.</li> </ul>		

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**UNIT I: Concepts of Economics**

<b>SUGGESTED TIME ALLOTMENT</b>	<b>CONTENT-UNIT OF STUDY</b>	<b>SUPPLEMENTAL UNIT RESOURCES</b>
<b>3 Weeks</b>	What is Economics?  Opportunity Cost  Economic Systems  Historically Significant Events	National Council on Economic Education, <a href="http://www.councilforeconed.org/">http://www.councilforeconed.org/</a>  <a href="http://www.econoclass.com/">http://www.econoclass.com/</a>  Economics Teaching Resources,  <a href="http://econlinks.com/teaching.php">http://econlinks.com/teaching.php</a>  CNN.com  MSNMoney.com

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**UNIT II: Market Oriented Exchange Based Economies**

<p><b>TRANSFER:</b> Students will be able to evaluate how the use of resources impacts our local and global economies, communities, and culture. Furthermore, students will be able to analyze and evaluate their decisions as consumers, producers, and citizens.</p>		
<p><b>GOALS:</b></p> <p>CEE 5:12:1- Imports are paid for by exports, savings or borrowing.</p> <p>CEE 5:12:2- When imports are restricted by public policies, consumers pay higher prices and job opportunities and profits in exporting firms may decrease.</p> <p>CEE 6:12:1- Individuals and nations have a comparative advantage in the production of goods or services if they can produce a product at a lower opportunity cost than other individuals or nations.</p> <p>CEE 6:12:2- International trade stems mainly from factors that confer comparative advantage, including international differences in the availability of productive resources and differences in relative prices.</p> <p>CEE 6:12:3- Transaction costs are costs that are associated with the purchase of a good or service, such as the cost of locating buyers or sellers, negotiating the terms of an exchange, and insuring that the exchange occurs on the agreed upon terms. When transaction costs decrease, trade increases.</p> <p>CEE 6:12:4- The goods or services that an individual, region, or nation can produce at lowest opportunity cost depend on many factors, including available resources,</p>	<p><b>ENDURING UNDERSTANDINGS</b></p>	<p><b>ESSENTIAL QUESTIONS</b></p>
	<p>Market prices are determined by supply and demand within global, community, or culturally based economies.</p>	<ul style="list-style-type: none"> <li>• How are market prices influenced by economic and cultural factors?</li> <li>• What influences the development of shortages and surpluses?</li> </ul>
	<p>Wealth is unevenly distributed in market economies. Specialization leads to an increase in efficiency with production and trade</p>	<ul style="list-style-type: none"> <li>• Why are some people wealthier than others?</li> </ul>
	<p>In a pure market economy, not everyone's' needs or wants can be met.</p>	<ul style="list-style-type: none"> <li>• How can taxes be applied fairly?</li> </ul>
	<p>Various forces affect market conditions and prices.</p>	<ul style="list-style-type: none"> <li>• Should a government attempt to make economic decisions? Why or why not?</li> </ul>
	<p><b>KNOWLEDGE</b></p>	<p><b>SKILLS</b></p>
	<p><b>Students will know:</b>  The law of demand occurs when consumers buy more of a good when its price decreases and less when its price increases.</p>	<p><b>Students will be able to:</b>  Interpret and create supply and demand charts and curves and discuss the influences of each on market equilibrium price.</p>

<p>technology, and political and economic institutions.</p> <p>CEE 8:12:1- Demand for a product changes when there is a change in consumers' income, preferences, the prices of related products, or in the number of consumers in a market.</p> <p>CEE 8:12:2- Supply of a product changes when there are changes in either the prices of the productive resources used to make the product, the technology used to make the product, the profit opportunities available to producers from selling other products, or the number of sellers in a market.</p> <p>CEE 8:12:3- Changes in supply or demand cause relative prices to change; in turn, buyers and sellers adjust their purchase and sales decisions.</p> <p>CEE 8:12:4- Government-enforced price ceilings set below the market-clearing price and government-enforced price floors set above the market-clearing price distort price signals and incentives to producers and consumer. Price ceilings can cause persistent shortages, while price floors can cause persistent surpluses.</p> <p>CEE 9:12:5- The introduction of new products and production methods is an important form of competition and is a source of technological progress and economic growth.</p> <p>NJSLS 6.1.12.C.9.c- Explain the interdependence of various parts of a market economy (I.e., private enterprise, government programs, and the Federal Reserve System).</p> <p>NJSLS 6.1.12.C.3.b- Relate the wealth of natural resources to the economic development of the United States and to the quality of life of individuals.</p>	<p>The law of supply is the tendency of suppliers to offer more of a good at a higher price.</p> <p>Several factors affect supply and demand. Some of these factors are:</p> <ul style="list-style-type: none"> <li>• Substitution Effect: When consumers react to an increase in a good's price by consuming less of that product and more of others.</li> <li>• Income Effect: The change in consumption resulting from a change in real income.</li> <li>• Elasticity of Supply: A measure of the way quantity reacts to a change in price.</li> </ul> <p>Elasticity:</p> <ul style="list-style-type: none"> <li>• If supply or demand is not very responsive to changes in price and elasticity is less than one, it is considered inelastic.</li> <li>• Inelastic demand is when consumers keep buying despite a price increase and demand is relatively unresponsive to the price change.</li> <li>• Elasticity of Supply is a measure of how quantity supplied reacts to a change in price.</li> <li>• Elasticity of Demand is a measure of how consumers react to a change in price.</li> </ul> <p>The costs of production include: labor and output, production costs, and setting output.</p> <p>Equilibrium is the point at which quantity demanded and quantities supplied are equal. At equilibrium, the market for a good is stable.</p>	<p>Analyze what causes a change in supply and demand.</p> <p>Evaluate the elasticity of demand and supply of goods and services and be able to discuss these results.</p> <p>Differentiate in writing between circumstances that contribute to elasticity and inelasticity.</p> <p>Prepare a spreadsheet demonstrating the costs of production for a chosen product.</p> <p>Identify and chart the costs of production; assess their impact on price.</p> <p>Analyze causes of surplus, shortage, and disequilibrium; explain this analysis through writing and discussion.</p>
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NJSLS 6.1.12.C.13.d- Relate American economic expansion after World War II to increased consumer demand.

**VOCABULARY AND KEY TERMS:**

Market Exchange, Barter, Comparative Advantage, Least Comparative Disadvantage, Involuntary Exchange, Voluntary Exchange, Supply, Demand, NAFTA

**ASSESSMENT EVIDENCE: Students will show their learning in a formative and summative manner by:**

- Complete a mathematical model that illustrates the concept of comparative advantage.
- Discuss historical examples of how tariffs have been detrimental to trade and reflectively write about this phenomenon.
- Daily and Unit assessments including: quizzes, tests, case studies, individual projects, group projects, Socratic seminars and reflection, homework, and surveys via Google and Microsoft.

**KEY LEARNING EVENTS AND INSTRUCTION:**

- Students will prepare and participate in a Socratic seminar to discuss and debate NAFTA and the recent trade policies, and the effect that these policies will have on the United States and other nations.

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**UNIT II: Market Oriented Exchange Based Economies**

<b>SUGGESTED TIME ALLOTMENT</b>	<b>CONTENT-UNIT OF STUDY</b>	<b>SUPPLEMENTAL UNIT RESOURCES</b>
<b>3 Weeks</b>	Supply and Demand  Factors that affect supply and demand  Production	PBS Teachers—9-12 Social Studies: <a href="http://www.pbs.org/teachers/classroom/9-12/socialstudies/resources/?resource_topic=119&amp;resource_type=&amp;resource_site=">http://www.pbs.org/teachers/classroom/9-12/socialstudies/resources/?resource_topic=119&amp;resource_type=&amp;resource_site=</a>  Source has lesson plans, audio & video clips, interactive games and activities

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**UNIT III: Capitalism and the Five Fundamental Questions**

**TRANSFER:** Students will be able to compare the characteristics of a market system with alternatives used more extensively in other countries. Furthermore, students will be able to evaluate the benefits and costs of policies that alter trade barriers between nations, such as tariffs, embargos, and quotas.

<p><b>GOALS:</b></p> <p>CEE 3:12:1- Comparing the benefits and costs of different allocation methods in order to choose the method that is most appropriate for some specific problem can result in more effective allocations and a more effective overall allocation system.</p> <p>CEE 3:12:2- Changing the distribution of income or wealth will cause the allocation of resources to change.</p> <p>CEE 4:12:1- Acting as consumers, producers, workers, savers, investors, and citizens, people respond to incentives in order to allocate their scarce resources in ways that provide them the highest possible net benefits.</p> <p>CEE 4:12:2- Decision-making is small and large firms, labor unions, educational institutions, and not-for-profit organizations has different goals and faces different rules and constraints. These goals, rules, and constraints influence the benefits and costs of those who work with or for those organizations, and, therefore, their behavior.</p> <p>CEE 5:12:2- When imports are restricted by public policies, consumers pay higher prices</p>	<p><b>ENDURING UNDERSTANDINGS</b></p>	<p><b>ESSENTIAL QUESTIONS</b></p>
	<p>Producers and consumers determine what goods will be produced and services will be supplied.</p>	<ul style="list-style-type: none"> <li>• How should a society decide what goods and services should be provided?</li> </ul>
	<p>Economic growth is affected by decisions made by both consumers and produces.</p>	<ul style="list-style-type: none"> <li>• How can economic growth be sustained?</li> </ul>
	<p>Economic growth is affected by decisions made by the government of individual nations.</p>	<ul style="list-style-type: none"> <li>• How can global growth be sustained and improved?</li> </ul>
	<p><b>KNOWLEDGE</b></p>	<p><b>SKILLS</b></p>
	<p><b>Students will know:</b></p> <p>For a market to have perfect competition, the market must include:</p> <ul style="list-style-type: none"> <li>• Many buyers and sellers - no one buyer or seller has control over price.</li> <li>• Identical products sold by multiple businesses.</li> <li>• Buyers and sellers can enter and exit market at any time.</li> </ul>	<p><b>Students will be able to:</b></p> <p>Analyze markets that are close to perfect competition using Excel to develop a spreadsheet analysis.</p>

<p>and job opportunities and profits in exporting firms may decrease.</p> <p>CEE 7:12:1- Market outcomes depends on the resources available to buyers and sellers, and on government policies.</p> <p>CEE 7:12:2- A shortage occurs when buyers want to purchase more than producers want to sell at the prevailing price.</p> <p>CEE 7:12: 3- A surplus occurs when producers want to sell more than buyers want to purchase at the prevailing price.</p> <p>CEE 7:12:4- Shortages of a product usually result in price increase in a market economy; surpluses usually result in price decreases.</p> <p>CEE 7:12:5- When the exchange rate between two currencies changes, the relative prices of the goods and services traded among countries using those currencies change; as a result, some groups gain, and others lose.</p> <p>CEE 19:12:1- The unemployment rate in a imperfect measure of unemployment because, among other reasons, it does not: (1) include workers whose job prospect are so poor that they become discouraged from seeking jobs and leave the labor force, and (2) reflect part-time workers who are looking for full-time work.</p> <p>CEE 19:12:2- Unemployment rates differ for people of different ages, races, and sexes. This reflect difference in work experience, education, training, and skills, as well as discrimination.</p> <p>NJSLS 6.1.12.C.6.c- Analyze the impact of money, investment, credit, savings, debt, and</p>	<ul style="list-style-type: none"> <li>• Buyers and sellers cannot join together to influence price of goods and services.</li> <li>• Both buyers and sellers are well informed of market conditions.</li> </ul> <p>There are natural, government, technological, and geographic monopolies that can exist in a capitalist economy.</p> <p>Gross Domestic Product:</p> <ul style="list-style-type: none"> <li>• is calculated by considering the following factors of an economy: consumption, investment, government spending and net exports.</li> <li>• cannot account for nonmarket activities, underground economic transactions and quality of life.</li> <li>• can be calculated in “nominal” value meaning the current value of goods and services or “real” meaning the adjusted value of goods from year to year.</li> </ul> <p>The business cycle shows how the economy grows and shrinks by measuring real Gross Domestic Product; stages include: expansion, peak, contraction, and trough.</p> <p>Natural resources, human resources, capital, technology and innovation contribute to economic growth.</p> <p>There are four types of unemployment: frictional, seasonal, structural, and cyclical.</p>	<p>Evaluate benefits and disadvantages of four types of monopolies.</p> <p>Explain what factors are included in the calculation of Gross Domestic Product and what factors cannot be measured by Gross Domestic Product. Determine when it is more appropriate to use Nominal or Real Gross Domestic Product as a measure of an economy.</p> <p>Describe in writing how the business cycle is measured and the four phases of the cycle.</p> <p>Analyze the impact that natural resources, human resources, capital, and technology and innovation have on economic growth.</p> <p>Identify in writing the four types of unemployment; explain how each form of unemployment affects an economy.</p>
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<p>financial institutions on the development of the nation and the lives of individuals.</p> <p>NJSLS 6.1.12.C.9.a- Explain how government can adjust taxes, interest rates, and spending and use other policies to restore the country's economic health.</p> <p>NJSJS 6.1.12.C.9.a- Explain how government can adjust taxes, interest rates, and spending and use other policies to restore the country's economic health.</p> <p>NJSLS 6.1.12.C.12.c- Assess the role of the public and private sectors in promoting economic growth and ensuring economic stability.</p> <p>NJSLS 6.1.12.C.13.c- Evaluate the effectiveness of social legislation that was enacted to end poverty in the 1960's and today by assessing the economic impact on the economy (e.g., inflation, recession, taxation, deficit spending, employment, education).</p>	<p>Income is distributed unequally in capitalist societies with a percentage of the population falling into poverty; when a person cannot meet their basic needs on their income.</p> <p>Inflation can be caused when demand climbs faster than production or when the cost of production increase and, therefore, the price increases.</p> <p>Inflations decreases the buying power of currency, increases interest rates, and decreases return on savings.</p> <p>For-profit businesses consider multiple factors when creating a business plan.</p> <p>Business closings can have a ripple effect through a community.</p> <p><b>VOCABULARY AND KEY TERMS:</b>  Consumer Sovereignty, Consumer Demand, Entry and Exit, Invisible Hand, Allocation, Distribution, Laissez Faire, Centrally Planned Economy, Regulated Economy, Mixed Economy, Socio-Economic Status, Socio-Political, Frictional Employment, Structural Employment, Cyclical Unemployment, Debt, Deficit, Entitlement Programs</p>	<p>Identify in writing the factors that tend to cause poverty.</p> <p>Evaluate the effect unemployment and poverty has on an economic system.</p> <p>Differentiate between types of unemployment in collaborative groups</p> <p>Independently interpret data to determine income distribution. Identify causes of inflation.</p> <p>Describe in writing how inflation affects the economy.</p> <p>Create a business plan which includes a name, product, detailed business plan, advertisements and sample product.</p> <p>Analyze the effect that the closing of a business has on a community by reading and discussion case studies and real-world events from the news.</p>
<p><b>ASSESSMENT EVIDENCE: Students will show their learning in a formative and summative manner by:</b></p> <ul style="list-style-type: none"> <li>• Discussing and reporting how various industries have competed for market share over the past 100 years.</li> <li>• Discussing how the advancement of technology and the changes of consumer sovereignty have shaped our modern economy and marketplace.</li> </ul>		

- Daily and Unit assessments including: quizzes, tests, case studies, individual projects, group projects, Socratic seminars and reflection, homework, and surveys via Google and Microsoft.

**KEY LEARNING EVENTS AND INSTRUCTION:**

- Students will complete a presentation on the role that consumer sovereignty has had and continues to have on a relevant, modern industry of their choice. This allow the student to explore the nature of competition between industries in the modern business climate.

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**UNIT III: Capitalism and the Five Fundamental Questions**

<b>SUGGESTED TIME ALLOTMENT</b>	<b>CONTENT-UNIT OF STUDY</b>	<b>SUPPLEMENTAL UNIT RESOURCES</b>
4 Weeks	Perfect Competition  Natural, Government, Technological, and Geographic Monopolies  Gross Domestic Product  The Business Cycle stages:  Economic growth  Unemployment:  Income Distribution & Poverty  Inflation—Causes and Consequences  Business Plan	PBS Teachers-Activity Packs: “Everyone’s Business” <a href="http://www.pbs.org/teachers/activitypacks/socialstudies/everyonesbiz/">http://www.pbs.org/teachers/activitypacks/socialstudies/everyonesbiz/</a> Links to both PBS cites and others that provide additional information such as games and full television specials on U.S. focused economic topics.  PBS Teachers—9-12 Social Studies: <a href="http://www.pbs.org/teachers/classroom/9-12/socialstudies/resources/?resource_topic=119&amp;resource_type=&amp;resource_site=">http://www.pbs.org/teachers/classroom/9-12/socialstudies/resources/?resource_topic=119&amp;resource_type=&amp;resource_site=</a> Source has lesson plans, audio & video clips, interactive games and activities  PBS Teachers, Economy Overview, Case Studies, Ripple Effect: <a href="http://www.pbs.org/teachers/connect/resources/7543/preview/">http://www.pbs.org/teachers/connect/resources/7543/preview/</a> Examine the ripple effect of someone getting laid off.  Interactive Demographic Map: <a href="http://www.patchworknation.org/">http://www.patchworknation.org/</a> Can filter map to view a variety of demographic information relating to economics

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**UNIT IV: Basic Economic Roles of Government**

**TRANSFER:** Students will be able to describe the roles of various economic institutions and explain the importance of property rights and personal freedom in a market economy. Furthermore, students will be able to analyze the purpose and performance of existing economic institutions to effectively evaluate the impact of new institutions and changes in the existing legal and institutional framework.

<b>GOALS:</b>	<b>ENDURING UNDERSTANDINGS</b>	<b>ESSENTIAL QUESTIONS</b>
<p>CEE 10:12:1- Property rights, contract enforcement, standards for weights and measure, and liability rules affect incentives for people to produce and exchange goods and services.</p> <p>CEE 10:12:2- Incorporation allows firms to accumulate sufficient financial capital to make large-scale investments and achieve economies of scale. Incorporation also reduces the risk to investors by limiting stockholders' liability to their share of ownership of the corporation.</p> <p>CEE 11:12:1- The basic money supply in the United States consists of currency, coins, and checking account deposits.</p> <p>CEE 11:12:2- In many economies, when banks make loans, the money supply increases; when loans are paid off, the money supply decreases.</p> <p>CEE 11:12:3- The consumer price index is the most commonly used measure of price-level changes. It can be used to compare the price level in one year with price levels in earlier or later periods.</p> <p>CEE 11:12:4- The annual inflation rate is the percentage change in the average prices of</p>	<p>The form of government in a given country will influence the government's role in the economy.</p> <p>When a government interferes in an economy system it affects both producers and consumers.</p>	<ul style="list-style-type: none"> <li>• What role should the government have in the economic system of a country?</li> <li>• What should a government consider before regulating the economy?</li> </ul>
	<b>KNOWLEDGE</b>	<b>SKILLS</b>
	<p><b>Students will know:</b></p> <p>The government's role in a modern capitalist society is protecting consumers by regulating business. Attempts to do so include the following national examples:</p> <ul style="list-style-type: none"> <li>• Governments can break up monopolies through Antitrust legislation.</li> <li>• Creation Food and Drug Administration to protect consumers by requiring companies to label products' ingredients and proper usage.</li> <li>• Creation of Federal Trade Commission to monitor business practices.</li> </ul>	<p><b>Students will be able to:</b></p> <p>Describe how government acts protect consumers in writing.</p> <p>Evaluate governmental measures that manipulate supply and demand and discuss their impact.</p>

<p>goods and services over a twelve-month period.</p> <p>CEE 11:12:5- In the long-run, inflation results from increases in a nation's money supply that exceed increase in its output of goods and services.</p> <p>CEE 16:12:2- An important role for government in the economy is to define, establish, and enforce property rights. A property right to a good or service includes the right to exclude others from using the good or service and the right to transfer the ownership or use of the resource to others.</p> <p>CEE 16:12:3- Property rights provide incentives for the owners of resources to weigh the value of present uses against the value of conserving the resources for future use.</p> <p>CEE 16:12:4- Externalities exist when some of the costs or benefits associated with production and consumption fall on someone other than the producers or consumers of the product.</p> <p>CEE 16:12:6- In the United States, the federal government enforces antitrust laws and regulations to try to maintain effective levels of competition; however, laws and regulations can also have unintended effects of reducing competition.</p> <p>CEE 16:12:8- Government laws establish the rules and institutions in which market operate. These include such things as property rights, collective bargaining rules, laws about discrimination, and laws regulating marriage and family life.</p> <p>.NJSL 6.1.12.C.2.a- Assess the effectiveness of the new state and national governments attempts to respond to economic challenges</p>	<ul style="list-style-type: none"> <li>• Protect against pollution and destruction of environment though the Environmental Protection Agency.</li> </ul> <p>Governments provide goods and services when a market failure occurs or when there is likely to be free riders.</p> <p>There are limitations on businesses regarding public goods and services.</p> <p>Governments establish price ceilings, price floors, minimum wage and rationing to manipulate supply and demand to best suit the needs of the society.</p> <p>Taxes are the government’s source of revenue and allow governments to provide goods and services to citizens such as Social Security and Medicare.</p> <p>The government has both mandatory expenditures that are required by legislation to be paid out every year and discretionary expenditures that are determined each year.</p> <p>Keynesian economics is a theory that government action can stimulate economic growth in times of recession though actions such as funding public works projects.</p> <p>The Federal Reserve System is the central bank of the United States. Its duties include holding reserves, assuring stability, lending money, paying government bills, printing and circulation of currency.</p> <p><b>VOCABULARY AND KEY TERMS:</b> Federal Reserve System, Federal Bank, Commercial Bank, Collective Bargaining, Negative Externalities, Private Property,</p>	<p>In writing, analyze why governments provide public goods and infrastructure.</p> <p>Analyze and discuss the impact that federal, state, and local spending has on the economy.</p> <p>Describe how taxes are collected and what they can be used for.</p> <p>Compare mandatory and discretionary government spending in writing.</p> <p>Debate in small and large peer groups the ways a government can stimulate the economy.</p> <p>Identify the purpose and role of the Federal Reserve System in the United States economy.</p> <p>Explain the Federal Reserve System’s impact on the society.</p>
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<p>including domestic and foreign trade policy issues.</p> <p>NJSLS 6.1.12.C.5.a- Analyze the economic practices of corporations and monopolies regarding the production and marketing of goods and determine the positive or negative impact of these practices on individuals and the nation and the need for government regulations.</p> <p>NJSLS 6.1.12.C.6.a- Evaluate the effectiveness of labor and agricultural organizations in improving economic opportunities for various groups.</p> <p>NJSLS 6.1.12.C.9.b- Explain how economic indicators are used to evaluate the health of the economy.</p>	<p>Private Contracts, Merger, Competition, Monopolies, Oligopoly, Trust, Pool Cartel, Merger, Colluding, Tying Agreement, Bundling, Predatory Pricing, Patent, Zoning Laws, Licensing, Fair Labor Standards Act, Discrimination, FDA, FTC, FDIC, Federal Credit Union</p>	
<p><b>ASSESSMENT EVIDENCE: Students will show their learning in a formative and summative manner by:</b></p> <ul style="list-style-type: none"> <li>• Discussing how the Federal Reserve System attempts to control the supply of money and inflation.</li> <li>• Discussing and then writing reflectively about the modern political climate and influences of government regulation on the economy.</li> <li>• Daily and Unit assessments including: quizzes, tests, case studies, individual projects, group projects, Socratic seminars and reflection, homework, and surveys via Google and Microsoft.</li> </ul> <p><b>KEY LEARNING EVENTS AND INSTRUCTION:</b></p> <ul style="list-style-type: none"> <li>• Students will research and present historical examples of violations of anti-trust law. These examples can range from the time period of the Standard Oil breakup to the Google Android case.</li> </ul>		

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**UNIT IV: Basic Economic Roles of Government**

<b>SUGGESTED TIME ALLOTMENT</b>	<b>CONTENT-UNIT OF STUDY</b>	<b>SUPPLEMENTAL UNIT RESOURCES</b>
<b>4 Weeks</b>	<p>Governments' role in a modern capitalist society</p> <p>Taxes are the government's source of revenue</p> <p>The Federal Reserve system</p>	<p>United States Department of Treasury website:  <a href="http://www.treasury.gov/Pages/default.aspx">http://www.treasury.gov/Pages/default.aspx</a>            Provides resources for both teachers and students. Supplies information about the function and services of the department and its history.</p> <p>Interactive Demographic Map:  <a href="http://www.patchworknation.org/">http://www.patchworknation.org/</a>            Can filter map to view a variety of demographic information relating to economics.</p> <p>Congressional Budget Office:  <a href="http://www.cbo.gov/">http://www.cbo.gov/</a></p> <p>Federal Reserve Websites:  <a href="http://www.federalreserve.gov/">http://www.federalreserve.gov/</a> --Official            Cite <a href="http://www.federalreserveeducation.org/">http://www.federalreserveeducation.org/</a> -- Educational            Cite</p>

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**UNIT V: Investment**

**TRANSFER:** Students will be able to evaluate future earnings based on the current national and global economic environment.

<p><b>GOALS:</b></p> <p>CEE 10:12:2- Incorporation allows firms to accumulate sufficient financial capital to make large-scale investments and achieve economies of scale. Incorporation also reduces the risk to investors by limiting stockholders' liability to their share of ownership of the corporation.</p> <p>CEE 20:12:1- Fiscal policies are decisions to change spending and taxation levels by the federal government. As fiscal policies, these decisions are adopted to influence national levels of output, employment, and prices.</p> <p>CEE 20:12:3- Over time, the interest-rate effects of an expansionary fiscal policy may lead to a decrease in private investment spending that offsets the output and employment effect of the policy.</p> <p>CEE 20:12:4- The federal government's annual budget is balanced when its revenues from taxes equal its expenditures. The government runs a budget deficit when its expenditures exceed its revenues. The government runs a surplus when its revenues exceed its expenditures.</p> <p>CEE 20:12:10- The Federal Reserve tends to increase interest rate targets when it feels the economy is growing too rapidly and/or the inflation rate is accelerating.</p>	<b>ENDURING UNDERSTANDINGS</b>	<b>ESSENTIAL QUESTIONS</b>
	There are both low-risk and high-risk ways to invest.	<ul style="list-style-type: none"> <li>• What factors should individuals consider before investing?</li> </ul>
	Investment contributes to economic growth in a nation.	<ul style="list-style-type: none"> <li>• How can people on an individual level contribute to the economic growth of society?</li> </ul>
	<b>KNOWLEDGE</b>	<b>SKILLS</b>
	<p><b>Students will know:</b></p> <p>Putting excess income not used for consumption into financial intermediaries, such as a bank, is investment.</p> <p>Both savers and borrowers are important because interest and dividends, whether earned or paid, enable financial intermediaries to continue to lend money and secure assets.</p>	<p><b>Students will be able to:</b></p> <p>Identify the impact a savings account has on financial institutions and investment. Describe, in writing, the role of financial intermediaries in the investment process for savers and borrowers.</p> <p>By using spreadsheet software, calculate interest rates and apply them to savings and loans.</p>



<p>NJSLS 6.1.12.C.5.c- Analyze the cyclical nature of the economy and the impact of periods of expansion and recession on businesses and individuals.</p> <p>NJSLS 6.1.12.C.9.d- Compare and contrast the causes and outcomes of the stock market crash in 1929 with other periods of economic instability.</p>	<p>Individuals try to maximize return on investments and limit the risk of loss by diversifying investments in varied financial assets.</p> <p>A stock exchange is a market where securities are bought and sold.</p> <p>There are multiple ways investors can purchase and sell stocks such as on a stock exchange, electronic markets, futures and options.</p> <p>Stock prices rise and fall based on various reasons such as disasters, government actions, and company profits.</p> <p>Buying bonds as a form of investment can be both high and low risk depending on their rating.</p> <p>Certificates of Deposit are long-term investments in which the rate of return varies on length of majority rate.</p> <p>Money Market Mutual Funds are tightly regulated forms of investment that are not as secure as savings accounts but not as high risk as purchasing individual shares of stock.</p> <p><b>VOCABULARY AND KEY TERMS:</b>  Corporation, Partnership, Proprietorship, LLC, Capital Investment, Capital Growth, Loans, Equity, Interest Rate, Mortgage, Prime, Sub-Prime, Wealth, Credit history, Down Payment, Default, PMI, FRM, ARM, Loan to Value Ratio,</p>	<p>Explain, in writing and through discussion, the relationship between risk and return.</p> <p>Explain how a stock market functions.</p> <p>Apply principles and methods to buy and sell stocks.</p> <p>Analyze a stock index.</p> <p>Develop a presentation to discuss how world events and company performance affect the stock market.</p> <p>After listening and reading, collaboratively evaluate in writing why and which bonds are the lowest risks to purchase.</p> <p>Explain in writing and through peer discussion how a money market functions.</p> <p>Develop a presentation to determine which type of investment is appropriate to make based on length of investment, risk willing to accept and amount of return seeking.</p>
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	<p>Stock Market, Stocks, Securities, Bonds, Money Markets, Real-Estate, Mutual Fund, Exchange Based Funds, Index Funds, Shares, Revenue, Dividends, Dividend Yield, Dow Jones, NYSE, NASDAQ, S&amp;P 500, Brokers, Blue Chips, Insider Trading, Trading Algorithms, Retirement, 401k, 403b, Tax Shelter Annuity, Stock Open, Stock Close, Market Capitalization, Outstanding Shares, Beta, PE Ratio, Simple Moving Average, Exponential Moving Average, Bollinger Bands, Buy Order, Sell Order, Short Sell, Options, Limit Order, Stop Order</p>	
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**ASSESSMENT EVIDENCE: Students will show their learning in a formative and summative manner by:**

- Creating and managing a real-time, virtual investment portfolio.
- Planning a business model that incorporates basic macroeconomic and microeconomic concepts.
- Daily and Unit assessments including: quizzes, tests, case studies, individual projects, group projects, Socratic seminars and reflection, homework, and surveys via Google and Microsoft.

**KEY LEARNING EVENTS AND INSTRUCTION:**

- Real-time trading of securities on an online stock market simulator.
- Creation, management and presentation of a mutual fund.

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**UNIT V: Investment**

<b>SUGGESTED TIME ALLOTMENT</b>	<b>CONTENT-UNIT OF STUDY</b>	<b>SUPPLEMENTAL UNIT RESOURCES</b>
<b>4 Weeks</b>	Financial intermediaries Savers and Borrowers Risk and Return of investments Stock Market Bonds Certificates of Deposit Money Market Mutual Funds	<p><a href="http://www.nasdaq.com/">http://www.nasdaq.com/</a>            Up-to-date information about the stock market and investment opportunities.            Information on how to invest and personal finance tips.            New York Stock Exchange:  <a href="http://www.nyse.com/">http://www.nyse.com/</a></p> <p><a href="http://www.investopedia.com">http://www.investopedia.com</a>            Virtual Stock Market Online</p> <p><a href="http://www.pbs.org/teachers/connect/resources/4301/preview/">http://www.pbs.org/teachers/connect/resources/4301/preview/</a>            HousingMarket: <a href="http://www.pbs.org/teachers/connect/resources/7620/preview/">http://www.pbs.org/teachers/connect/resources/7620/preview/</a>            Cite that offers lesson plan about addressing the Housing Crisis with students            and links to required resources.</p>

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**Economics and Investment**  
**APPENDIX**

**Additional Resources**

Concepts and Choices, McDougal Little 2005. ISBN-13: 978-0-618-59403-0

Council for Economic Education, *Advanced Placement Economics Macroeconomics Student Resource Manual, 4<sup>th</sup> edition* ISBN: 978-1-56183-668-0

Council for Economic Education, *Advanced Placement Economics Microeconomics Student Resource Manual, 4<sup>th</sup> edition* ISBN: 978-1-56183-670-3