



## Unit Five

### Unit Title: The Economy

#### Government

#### Unit Length and Description:

##### 6 weeks

In the previous unit, students examined the macroeconomic implications when consumers fail to act optimally and considered the role of government in protecting consumers from making unwise choices. In this unit, students learn how to arm themselves with the appropriate knowledge to make informed financial decisions. First students examine the labor market to consider the return on investment associated with higher education. Then students work collaboratively to design a personal finance course.

#### Standards:

**Standard 1: Foundations of American Government**

C.1.1	Describe reasons why government is necessary, explaining competing ideas about the role of government in society
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**Standard 4: Functions of Government**

C.4.7	Explain how macroeconomic policies of the Federal Reserve System and the federal government affect American citizens
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C.4.8	Describe the Federal Reserve System, its functions, and its role in the United States economy
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**Standard 6: Fundamentals of Economics**

C.6.1	Explain the basic problem of scarcity and how it drives economic decision-making
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C.6.2	Describe the role of the factors of production as part of the circular flow of goods and services model
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C.6.3	Assess factors that influence productivity and evaluate the relationship between productivity and standard of living and GDP
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C.6.4	Apply principles of supply and demand to predict how changes in the market affect prices and incentives for buyers and sellers
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C.6.5	Evaluate how different economic systems allocate resources in terms of their benefits to society
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**Standard 7: Economic Systems and Structures**

C.7.1	Analyze the four market structures (perfect competition, monopolistic competition, oligopoly, and monopoly) in terms of size of market, ease of entry, similarity of product, and control over price
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C.7.2	Explain how competition affects both producers and consumers
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C.7.3	Interpret information about a current economic system undergoing change from a largely command or traditional system to a more mixed system
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C.7.4	Explain the effects of technology and innovation on global economic interdependence and competition
C.7.5	Evaluate how various types of unemployment affect the economy

**Enduring Understandings-  
Compelling Question:**

What is the proper role of government in the economy?

**Essential Questions-  
Supporting Question:**

- How do economic systems affect your life and the lives of others?
- How can the choices we make affect the economy?
- How are economic resources distributed?
- What impact does scarcity have on the production, distribution, and consumption of goods and services?
- How do economic needs and wants affect decisions of individuals, groups, and institutions?
- How independent should the Federal Reserve be?