



GREAT NECK PUBLIC SCHOOLS

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Course Profile: Economics

Department	Social Studies		
Course Name	"Economics, the Enterprise System, and Finance"		
Course Length	Half Year		
High School Credits	½ Credit 12th Grade Social Studies		
Description	"Economics, the Enterprise System, and Finance" examines the principles of the United States free market economy in a global context. Students will examine their individual responsibility for managing their personal finances. Students will analyze the role of supply and demand in determining the prices individuals and businesses face in the product and factor markets, and the global nature of these markets. Students will study changes to the workforce in the United States, and the role of entrepreneurs in our economy, as well as the effects of globalization. Students will explore the challenges facing the United States free market economy in today's environment and various policy-making opportunities available to the government to address these challenges. This course profile provides one of the viable sequencing of the units of study.		
Target/eligible students	12 th Grade students		
Resource texts and materials	Potential resource texts/materials include, but are not limited to, the following: <i>Economics – Institutions and Analysis</i>, Antell, G & Harris, W (2005) (4th ed.) Amsco. National Council for Economic Education's website, councilforeconed.org.		
Scope	*Standards/Themes	Key Ideas, Term, and Concepts	
Unit A: INDIVIDUAL RESPONSIBILITY AND THE ECONOMY	(Standards: 4; Themes: ECO) Individuals should consider personal financial goals and their potential income needs and debt obligations, and know how to utilize effective budgeting, borrowing, and investment strategies to maximize well-being.	12.E1a In making economic decisions in any role, individuals should consider the set of opportunities that they have, their resources (e.g., income and wealth), their preferences, and their ethics. 12.E1b Sound personal financial (money management) practices consider wealth and income, the present and the future, and risk factors when setting goals and budgeting for anticipated saving and spending. Cost-benefit analysis is an important tool for sound decision making. All financial investments carry with them varying risks and rewards that should be understood in order to make informed decisions. 12.E1c Managing personal finance effectively requires an understanding of the forms and purposes of financial credit, the effects of personal debt, the role and impact of interest, and evaluation of returns on investments. Predatory lending practices target and affect those who are least informed and can least afford such practices. Interest rates reflect perceived risk, so	

Chapters.
10-12
22-25

		maintaining a healthy credit rating lowers the cost of borrowing. 12.E1d To be an informed participant in the global economy, one should be aware of the impact of inflation and understand how international currencies fluctuate in value relative to the United States dollar.	
Unit B: INDIVIDUALS AND BUSINESSES IN THE PRODUCT AND SERVICES MARKETS:	(Standards: 4; Themes: ECO) Free enterprise is a pillar of the United States economy and is based on the principle that individuals and businesses are free to make their own economic choices as they participate in these markets. Individuals buy the goods and services that they desire from businesses in the product markets, and they contribute to producing these goods and services by supplying the resources that they own to businesses in the markets.	12.E2a Given that the resources of individuals (and societies) are limited, decisions as to what goods and services will be produced and to whom to sell one's resources are driven by numerous factors, including a desire to derive the maximum benefit from and thus the most efficient allocation of those resources. 12.E2b The choices of buyers and sellers in the marketplace determine supply and demand, market prices, allocation of scarce resources, and the goods and services that are produced. In a perfect world, consumers influence product availability and price through their purchasing power in the product market. Product market supply and demand determine product availability and pricing. 12.E2c Businesses choose what to supply in the product market, based on product market prices, available technology, and prices of factors of production. The prices of those factors are determined based on supply and demand in the factor market. The supply and demand of each factor market is directly related to employment. Debates surround various ways to minimize unemployment.	Chapters. 1-3
Unit C: THE IMPACT OF AMERICAN CAPITALISM IN A GLOBAL ECONOMY	(Standards: 4; Themes: ECO) There are various economic systems in the world. The United States operates within a mixed, free market economy that is characterized by competition and a limited role of government in economic affairs. Economic policy makers face considerable challenges within a capitalist system, including unemployment, inflation, poverty, and environmental consequences. Globalization increases the complexity of these challenges significantly, and has exerted strong and transformative effects on workers and entrepreneurs in the United States economy.	12.E3a As the United States evolved from an agrarian to an industrial to an information economy, the workplace required a more highly skilled and educated workforce. 12.E3b The government's evolving role in protecting property rights, regulating working conditions, protecting the right to bargain collectively, and reducing discrimination in the workplace has attempted to balance the power between workers and employers. This role shifts in response to the government's need to stimulate the economy balanced against the need to curb abusive business practices. 12.E3c The freedom of the United States economy encourages entrepreneurialism. This is an important factor behind economic growth that can lead to intended consequences (e.g., growth, competition, innovation, improved standard of	Chapters 4-9 13

		living, productivity, specialization, trade, class mobility, positive externalities) and unintended negative consequences (e.g., recession, depression, unemployment, generational poverty, income inequality, the barriers to class mobility, negative externalities.). 12.E3d A degree of regulation, oversight, or government control is necessary in some markets to ensure free and fair competition and to limit unintended negative consequences of American capitalism. Government attempts to protect the worker, ensure property rights, and to regulate the marketplace, as well as to promote income equality and social mobility, have had varied results. 12.E3e The degree to which economic inequality reflects social, political, or economic injustices versus individual choices is a topic of serious debate. The role that the government should play in decreasing this gap, including the variety of government programs designed to combat poverty, is part of this debate	
Unit D: THE TOOLS OF ECONOMIC POLICY IN A GLOBAL ECONOMY	(Standards: 4; Themes: ECO) Globalization and increased economic interdependence affect the United States economy significantly. The tools that the policy makers have available to address these issues are fiscal policy, monetary policy, and trade policy.	12.E4a Policy makers establish economic goals related to economic indicators, including the Gross National Product (GNP), Gross Domestic Product (GDP), Consumer Price Index (CPI), employment and interest rates, and aggregate supply and demand. 12.E4b The president and Congress determine fiscal policy by establishing the level of spending and taxing in the annual budget. Some tax programs are designed to provide incentives to individuals and businesses that influence private sector spending, saving, and investment. 12.E4c The Federal Reserve is the government institution responsible for managing the nation's monetary policy, including regulating the amount of money in circulation and interest rates. 12.E4d Trade policies and agreements (e.g., tariffs, quotas, embargoes) set the rules for trade between the United States and other nations. Agreeing on such rules is very difficult because each nation has different interests, and each nation has special interest groups trying to influence the negotiations.	Chapters. 13-20 22