

**Introduction to Economics - Semester Course
Required of all 10th Graders in Omaha Public Schools**

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RESOURCES

Introduction to Economics

Resource Guide Content and Use

The materials in this guide have been organized using the following sequence:

A Framework for Teaching Basic Economic Concepts

- An excellent source for background material and/or talking points for introducing each of the concepts.

Nebraska Social Studies Standards

- Focused on Economics Content

Introduction to each unit (with a lesson plan matrix)

- The Resource Guide focuses on the basic economic concepts of:
 - Fundamentals (Tab A)
 - Microeconomics (Tab B)
 - Macroeconomics (Tab C)
 - International Economic Interdependent (Tab D)
- Each unit/Tab is introduced with a few short paragraphs explaining the focus of the unit and the basic concepts which will be covered.
- A Lesson Plan Matrix follows each unit introduction and provides organizational information which should help you schedule your instruction.
- A master copy of each required and suggested lesson plan follows the matrix.

Lesson Plans

- Each lesson plan is identified in the matrix by concept, title, designation of the source from which it was taken, and lesson number (i.e., *Choice/The Path Not Taken/MS1* – or *MS Lesson 1*). The Guide draws on the following sources:
 - Focus: Middle School Economics (MS)
 - Focus: High School Economics (HS)
 - Focus: Personal Decision Making (PDM)
 - Focus: International Economics (IE)
 - Focus: Economic Systems (ES)
 - Economics in Transition (ET)
 - Plan to Market
 - “Teacher designed”
 - Fed Materials
 - Various Online NE lessons
 - Economics Live (EL)
 - Foundation for Teaching Economics (FTE)
- Because the Resource Guide is and will continue to be a “work in progress,” each of the concepts within the various Tabs or units has been assigned an alpha/numeric designator. For example, the basic concept of “Demand within the

unit on Microeconomics, could be referred to as Tab A.1; “Market Price” would be Tab A.4, etc. It is envisioned that when additional lesson plans are added to the Guide in the future, they will be accompanied by instructions such as “insert this lesson plan at Tab B.3 following existing lesson HS14.”

- A listing of all current High School Curriculum lessons follows this introduction.

Resources

- At the end of the Resource Guide there is a multitude of resources that will be helpful in the instructional delivery. Web sites, economic resources personnel as well as supplemental resources are listed here. More will be added throughout the development of this course.

District Assessment

- There will be a district Criterion Referenced Test (CRT) for each standard.

FUNDAMENTAL CONCEPTS

3 weeks

This unit focuses on the concepts that are the basis of economics. Economics is the study of choices and decisions people make to meet their needs and wants, understanding that there is a limited resource base for these needs. To understand the basis of economics, one must first identify resources, scarcity, needs and wants.

The first section, Fundamentals, is the basic knowledge items that a student must master to understand more complete economic concepts. Students will be introduced to a number of new terms, ideas and concepts. Therefore, checking for understanding and reteaching on a regular basis will be essential to success further along the course.

The Fundamental Concepts that will be covered in this unit are:

1. Choices
2. Scarcity
3. Decision Making
4. Opportunity Cost
5. Production
6. Resources
7. Consumption
8. Circular Flow

Fundamental Economic Concepts	Lessons Required for Instruction	Lessons Suggested for Instruction	Time Suggested for Instruction	Activity Sheets to be Copied	Comments
Choices	MS, Lesson 1 Unit 1: Lesson 1 <i>The Path Not Taken</i> , Proc. #1-19	Extension Activities From Proc. #1, after discussing flowcharts, encourage students to build their own flowchart. Use of instructional technology could be made by having students do this in Microsoft PowerPoint.	3 Days Day 1 – Proc #1-4 and Concepts Day 2 – Proc. #5-8 and discuss students list of items assigned from day 1. Day 3 – Proc. #9-19 (if classroom time is short, all or part of this could be assigned as an out-of-class project)	Unit 1: Lesson 1 Act. #1 <i>The Path Not Taken. Madam C J Walker</i> Visual 1 – <i>Joel's Flowchart</i> Visual 2 – <i>Madam C.J. Walker Flowchart Sample</i>	Added lesson to Day 1 Act – as a homework assignment, have students list ten choices they have made in the past 24 hours (they can do this between day 1 and 2) and explain how each of these was a choice that relates to economics.
Scarcity	HS, Lesson 1 Proc. #1-6 and Proc. \$7-10 <i>Scarcity, Choice, and Decision</i>		2-3 days (2 days required) Day 3-4 (if applicable), Assessment Paragraph (thoughts & opinions) & Development of own personal budget for student	HS, ACT #1, A <i>Dance</i> , Economics HS, Act #2, <i>Budget Tradeoffs</i> , Act #3 Assessment Visual 1 Visual 2	
Decision Making	PDM, Lesson 14 <i>Savings and Personal Investments. If You're So Smart, Why Aren't You Rich?</i> Proc. #1-5	Closure Section – Could be requirement for Honors Project Group Decision Making Project (possibly could be substituted for a required lesson)	2-3 Days Day 1 – Proc. #1-2 and Terms Day 2 – Proc. #3-5	Visual 1 (As an overhead transparency) Lesson 14 Act. #1 – <i>Some Investment Advise</i> Lesson 14 Act. #2 – <i>Where to Invest \$1000</i> Decision Making Process Activity – Make overhead transparencies for 7-Step Process	

Fundamental Economic Concepts	Lessons Required for Instruction	Lessons Suggested for Instruction	Time Suggested for Instruction	Activity Sheets to be Copied	Comments
Opportunity Cost	MS, Unit 1: Lesson 2, <i>Give and Take</i> Proc. #1-7 Or Economics in Transition – Lesson 10, <i>Market or Command. Which is the Best for the Environment</i>	Extension Act. #1-2 or have students create their own pie charts using Microsoft Excel	2 Days Day 1 – Proc. #1-3 Day 2 – Proc. #4-7 Extension – Day 3 (or as needed) or Proc. #1-18 Completed in 1 day		
Production	MS Lesson 9, <i>Profit Puzzle</i>	Complete and discuss activity	1-2 Days		
Resources	The Economic Demise of the Soviet Union – Lesson #2, <i>Missing Markets and Missing Prices</i> – the task of the Planning Ministry	Complete Soviet Lesson and Act. #2, have students complete reaction at tend of unit (possible homework assignment)	1-2 Days Follow directions as stated in Lesson	One \$20 Debit Card copied for each student (8 per sheet) Overhead of Simulation Records Pencils & Candy	
Interdependence					
Consumption	MS, Unit 4: Lesson 12, <i>What Does the Nation Consume?</i> – Proc. #1-23 Students select either Evaluation 1-3 (their choice), can be completed as homework or third day may be added	Extension Project (possible honors project) – Students pick one of the three projects	2 Days Day 1 – Proc. #1-8 and Terms Day 2 – Proc. #9-23 and Terms	MS Unit 4: Lesson 12, Visual 1, <i>What Does Our Nation Consume?</i> Durables, Nondurables, and Services	
Circular Flow	HS, Lesson 16 <i>The Circular Flow(s)</i>		2 Days	Circular Flow Overhead Transparency Act#1 Act #2 & #3 – See instructions Act #4 Visual 1 Visual 2	

MICROECONOMIC CONCEPTS

5 – 6 weeks

Microeconomics is the study of the behavior of individual household, firms, and markets, of how prices and outputs are determined in those markets, and of how the price mechanism allocates resources and distributes income. To understand the kinds and amounts of goods and services an economy will produce requires that we know how the prices of goods and services are determined, how these prices determine the pattern of production, and how this pattern is influenced both by the structure of markets and by government actions.

An understanding of the market forces of supply and demand is critical to understanding the U. S. economic system and is the foundation for understanding subsequent economic concepts. It is better to spend as much class time as is required for this understanding than to move on without it.

The Microeconomic Concepts covered in this unit are:

1. Demand
2. Supply
3. Inputs/Outputs
4. Market Price
5. Shortages/Surpluses
6. Elasticity
7. Market Economy
8. Market Failures/Public Goods
9. Income Distribution
10. Market Structures

Micro Economic Concepts	Lessons Required for Instruction	Lessons Suggested for Instruction	Time Suggested for Instruction	Activity Sheets to be Copied	Comments
Demand	MS, Lesson 4 <i>How Many Will You Buy?</i>		2 days	Act. #1	
	MS, Lesson 5 <i>Demand Shifters</i>		2 Days	Act #1	
		Econ Live Lesson 6 <i>Moving Along and Shifting Those Demand Curves</i>	1 Day	Lesson 6	
Supply	MS, Lesson 8 <i>How Many Should We Sell?</i>		3 days	Act. #1-3	
		Econ Live, Lesson 3 <i>Will You Supply Your Labor?</i>	1 day	Live 3	
		Lesson 7 <i>Moving Along and Shifting Those Supply Curves</i>	1 day	Live 7	
Inputs/Outputs	MS, Lesson 7 <i>The T-Rific T's Company: Production Decisions</i>		3-4 days	Act. #1-3	
Market Price	HS Lesson 3 A <i>Classroom Market for Crude Oil</i>		1 day	Act #1-6 Visual 1 Visual 3	
	HS, Lesson 4 <i>The Market Never Stands Still</i>		2 days	Act #1-6 Visual 1 Visual 2 Visual3	
		Econ Live, Lesson 4 <i>Buying and Selling Black Pearls</i>			
		Lesson 8 <i>Putting It all Together</i>			
Shortages/Surpluses	HS Lesson 6 <i>Price Controls Too High or Too Low</i>		1 day	Act. #1-3 Visuals 1-2	
Elasticity	HS Lesson 7 <i>Price Changes Matter</i>		2 days	Act. #1-3 Visual 1	

Micro Economic Concepts	Lessons Required for Instruction	Lessons Suggested for Instruction	Time Suggested for Instruction	Activity Sheets to be Copied	Comments
Market Economy	HS Lesson 5 <i>Market Interact</i>		1 day	Act #1-2	
Market Failures	MS Lesson 10 <i>Where Does the Money Go</i> HS Lesson 12 <i>Third-Party Costs and Benefits</i> HS Lesson 11 <i>Public Goods and Services</i>	Econ Live Lesson 1 <i>The Dreaded Disease</i>	2 days 2 days 2 days 1 day	Act #1-2 Act #1-3 Visual 1 Act #1-3 Visual 1	
Income Distribution	HS Lesson 10 <i>Rich Man, Poor Man....</i>		2 days	Act #1-3 Visuals 1-3	
Market Structure	HS Lesson 14 <i>When There Isn't Pure Competition</i>	Econ Live Lesson 19 <i>The Only Gas Station in Panamint Valley</i>	3 days 1 day	Act #1-5 Buy & Sell Cards	

MACROECONOMICS CONCEPTS

5 - 6 weeks

You have just completed the microeconomics unit, while microeconomics focused on individual economic decisions, macroeconomics examines broad issues of the national economy. Macroeconomics considers the combined effects of individual actions, while viewing such aspects of the economy as how a society uses its resources, what determines the overall prices of goods and services, what causes inflation and deflation and how the employment and unemployment of resources is determined.

Macroeconomics deals with such national issues as economic growth, unemployment, inflation, stagflation and monetary and fiscal policies.

A major role-player in macroeconomics is the government. The role of government in economic activity should be thoroughly examined. This is one of the most controversial issues in the student of economics. In 1946, Congress delineated economic functions to the government in its Employment Act of 1946, which set macroeconomic goals for the nation. In part, the act reads:

The Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means....to promote maximum employment, production, and purchasing power.

A number of significant questions should be considered in the study of the national economy, they are:

- What are the goals of the national economy?
- What problems might the economy experience?
- How do we measure the size and characteristics of the national economy?
- How does the federal government influence the economy through its fiscal policy?
- How does the Federal Reserve Bank influence the economy through its monetary policies?

The Macroeconomic Concepts unit will cover the following major ideas:

1. Basic Economic Indicators
2. Institutions
3. Labor
4. Inflation/Price Stability
5. Role of Government
6. Monetary Policy
7. Fiscal Policy

Macro Economic Concepts	Lessons Required for Instruction	Lessons Suggested for Instruction	Time Suggested for Instruction	Activity Sheets to be Copied	Comments
Basic Economic Indicators	HS Lesson 2 <i>Broad Social Goals of an Economy</i>	MS Lesson 13 <i>An Island Economy</i>	3 days 2 days	Act #1 Act #3 Act #1 Act #2	Act #2 needs to be placed on 3 x 5 cards. This could be taught with the Basic Economic Concepts
Institutions	Labor Negotiation (TD)		1 day	Student Reaction Sheet	
Labor	MS Lesson 7 <i>The T-Rrific T's Company Production Decisions</i>		3 days	Act #1-3	Good interaction and paper pencil. Can be used as refresher for Basic Economic Concepts
Unemployment	Econ Live Lesson 32 <i>What Is The Unemployment Rate</i> Econ Live Lesson 33 <i>Classifying The Unemployed</i>		1 day	Step 1, 2 Teams	Good lesson
Inflation/Price Stability	HS Lesson 18 <i>Economic Ups and Downs</i> MS Lesson 6 <i>Inflation</i>		1 day 1 day	Act #1-4	Transparencies Activities 1 & 3 Powerful for one day lesson Transparency of Visual 1 needed. This lesson would be good to follow HS-18.
Role of Government	PDM Lesson 8 <i>The Role of Government Who Needs It?</i> Act #26 – <i>The Tax Game</i>		2 days 1 day	Act #1-3 Step 1, 2, 3 and Questions	Transparency of Visual 1 and 2 are needed
Monetary Policy	(Fed Materials)	Day 2 & 3 are optional	3 days	Each student needs a copy of <i>In Plain English</i>	Day 1 read and cover book Day 2 watch video on Fed Day 3 discuss the role of Fed Chairman (Alan Greenspan)
Fiscal Policy	MS Lesson 11 <i>Where Does the Money Come From?</i>		2 days	Act #1-2 Protractor	Could spend more time on operating protractor than getting economic message across. Group might solve or increase problem

Macro Economic Concepts	Lessons Required for Instruction	Lessons Suggested for Instruction	Time Suggested for Instruction	Activity Sheets to be Copied	Comments
	MS Lesson 12 <i>What Does the Nation Consumer?</i>		2 days	Visual 2 with answer Act #2-4 Protractor	
	Required: 23	Extra: 4			

INTERNATIONAL TRADE INTRODUCTION
INTERNATIONAL ECONOMIC INTERDEPENDENCE
3 weeks

The economy of the United States is closely integrated into and interdependent with the world economy. Our economic policies have a major impact on other countries, and the policies of other countries have an impact on us. No country in the world today is totally self-sufficient. Every country trades with some other country (and often with many other countries) to improve its standard of living. And, of course, even Nebraska participates in international trade and thus is affected by the global economy.

Sometimes problems associated with international trade occur. These problems include trade imbalances and barriers to trade, such as tariffs or quotas. Some argue that, rather than trade with other countries, a country ought to protect its own workers and industries by urging consumers to buy goods made at home. Others argue that all nations stand to benefit from global free trade. In the modern world, there are many issues associated with international trade and the independent relationship countries and regions have with one another.

Basic concepts of international trade include the following:

1. Reasons for Trade
2. Barriers to Trade
3. Exchange Rates
4. Specialization and Comparative Advantage
5. Comparative Economic Systems

International Economic Concepts	Lessons Required for Students	Lessons Suggested for Instruction	Time Suggested for Instruction	Activity Sheets to be Copied	Comments
Why Trade? (includes specialization and comparative advantage)	HS Lesson 16 <i>Frontier Specialists</i>	NE & The World 1-4	1 day	Visuals 1-3 Act #1-3 Visual of Act #2 Chart	
	IE Lesson 1 <i>Why Do People Trade?</i>		1 day		
	IE Lesson 2 <i>Why People and Nations Trade</i>		1 day		
Int'l Trade: overview	PDM Lesson 15 <i>International Economics: Why Should You Care?</i>		2 days	Act #1-3	Previews some of the remaining topics in this unit
Trade Barriers	IE Lesson 8 <i>Trade Barriers</i>	MS Lesson 17 <i>Don't Fence Me Out</i>	2 days	Act #1-2	
Exchange Rates	IE Lesson 14 <i>Foreign Exchange Rates</i>	NE & the World <i>Gang of 15</i>	3 days	IE 14: Act #2 only (Act #1 see special instructions)	
	IE Lesson 11 <i>Balance of Payments</i>				
Comparative Economic Systems	ES Lesson 1 <i>B road Social Goals of Economic Systems</i>	Econ Live #1 <i>The Dreaded Disease (in Micro Unit)</i>	3-4 days	ES 1 Act #1-4 ES 2 Act #1, 2, 4 (Act #3 see special instructions) Act 1,2 Visuals 1-4 Act #1-4 Visuals 1-4	
	ES Lesson 2 <i>Who Decides?</i>		2 days		
	ET Lesson 1 A <i>Parking Lot Full of Incentives</i>		1 day		
Plan to Market, Lesson 1 <i>The Legacy of Soviet Communism</i>					
Total			12-13 days plus 1-3 days for assessment		