

# Academic Standards for Economics

*June 1, 2009 FINAL  
Secondary Standards  
Grades 9,12*

*US History (1850-Present), World History (1450-Present), Civics and Government*



*Pennsylvania Department of Education*

*These standards are offered as a voluntary resource for Pennsylvania's schools and await action by the State Board of Education.  
The course level standards are offered as a voluntary resource for Pennsylvania's schools.*

SECONDARY STANDARDS  
Grades 9,12  
US History (1850-Present), World History (1450-Present), Civics and Government  
Economics

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Grades 9,12

US History (1850-Present), World History (1450-Present), Civics and Government  
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**SECONDARY STANDARDS**  
**Grades 9,12**  
**US History (1850-Present), World History (1450-Present), Civics and Government**  
**Economics**  
**XVII. INTRODUCTION**

This document includes Academic Standards for Economics that describe what students should know and be able to do in four areas:

- ◇ 6.1. Scarcity and Choice
- ◇ 6.2. Markets and Economic Systems
- ◇ 6.3. Functions of Government
- ◇ 6.4. Economic Interdependence
- ◇ 6.5. Income, Profit, and Wealth

The Economic Standards describe what students should know and be able to do from third through twelfth grade. They reflect the increasing complexity and sophistication that students are expected to achieve as they progress through school. The document attempts to avoid repetition and to show a progression across grade levels. Topics and concepts in Economics directly relate to Environment and Ecology Standard (4.2) and Geography Standard (7.3). In addition, economic topics can be found in Career and Work Standard (13.2, 13.3, and 13.4). As a social science, Economics Standards should be integrated with related Civics and Government, Geography and History Standards to create an interdisciplinary view of the world.

Economics is concerned with the behavior of individuals and institutions engaged in the production, exchange and consumption of goods and services. As technology helps to reshape the economy, knowledge of how the world works is critical. People entering the workforce cannot function effectively without a basic knowledge how scarcity and choice affect the allocation of resources, how markets establish prices and the global nature of economic interdependence. These standards are intended to provide direction in learning how economic activity impacts the forces of everyday life.

The Academic Standards for Economics consist of four standard categories (designated as 6.1, 6.2, 6.3, and 6.4). Each category has a number of standard statements designated by a capital letter. The standard statements represent essential strands that reflect increased rigor across grade levels. These standard statements identify broad topics; the choice of specific content is a local decision as is the method of instruction.

Economics, along with Civics and Government, Geography and History are identified as Social Studies in Chapter 4. This identification is consistent with citizenship education in Chapter 49 and Chapter 354. Based on these regulations, social studies/citizenship programs should include four sets of standards into curriculum and planned instruction.

A glossary is included to assist the reader in clarifying terminology contained in the standards.

## SECONDARY STANDARDS

Grades 9,12

US History (1850-Present), World History (1450-Present), Civics and Government  
Economics

<b>6.1. Scarcity and Choice</b>						
<b>6.1.9. GRADE 9</b>		<b>6.1.U. US HISTORY 1850-PRESENT</b>	<b>6.1.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.1.C. CIVICS &amp; GOVERNMENT</b>	<b>6.1.12. GRADE 12</b>	
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>						
<b>Scarcity and Choice</b>	6.1.9.A. Analyze how <b>choices</b> are made because of <b>scarcity</b> .	6.1.U.A. Analyze how <b>choices</b> are made because of <b>scarcity</b> .	6.1.W.A. Analyze how <b>choices</b> are made because of <b>scarcity</b> .	6.1.C.A. Predict the long-term consequences of decisions made because of <b>scarcity</b> .	6.1.12.A. Predict the long-term consequences of decisions made because of <b>scarcity</b> .	
<b>Limited Resources</b>	6.1.9.B. Identify the origin of <b>resources</b> and analyze the impact on the production of <b>goods</b> and <b>services</b> .  Analyze how unlimited wants and limited <b>resources</b> affect decision making.	6.1.U.B. Analyze how conflict and cooperation among groups and organizations have impacted the control of limited <b>resources</b> in the United States.	6.1.W.B. Analyze how conflict and cooperation among groups and organizations have impacted the control of limited <b>resources</b> in the world.	6.1.C.B. Evaluate the economic reasoning behind a choice.	6.1.12.B. Evaluate the economic reasoning behind a choice.  Evaluate effective allocation of <b>resources</b> for the production of <b>goods</b> and <b>services</b> .	
<b>Opportunity Costs</b>	6.1.9.C. Explain the <b>opportunity cost</b> associated with <b>government policies</b> .	6.1.U.C. Analyze the <b>opportunity cost</b> of decisions made by individuals, businesses, communities, and nations.	6.1.W.C. Analyze the <b>opportunity cost</b> of decisions made by individuals, businesses, communities, and nations.	6.1.C.C. Explain the <b>opportunity cost</b> associated with <b>government policies</b> .	6.1.12.C. Analyze the <b>opportunity cost</b> of decisions made by individuals, businesses, communities, and nations.	

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Grades 9,12

US History (1850-Present), World History (1450-Present), Civics and Government  
Economics

<b>6.1. Scarcity and Choice</b>					
<b>6.1.9. GRADE 9</b>	<b>6.1.U. US HISTORY 1850-PRESENT</b>	<b>6.1.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.1.C. CIVICS &amp; GOVERNMENT</b>	<b>6.1.12. GRADE 12</b>	
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>					
<b>Incentives and Choice</b>	6.1.9.D. Explain how <b>incentives</b> cause people to change their behavior in predictable ways.	6.1.U.D. Intentionally Blank	6.1.W.D. Intentionally Blank	6.1.C.D. Intentionally Blank	6.1.12.D. Predict how changes in <b>incentives</b> may affect the choices made by individuals, businesses, communities, and nations.

## SECONDARY STANDARDS

Grades 9,12

US History (1850-Present), World History (1450-Present), Civics and Government  
Economics

<b>6.2. Markets and Economic Systems</b>						
<b>6.2.9. GRADE 9</b>		<b>6.2.U. US HISTORY 1850-PRESENT</b>	<b>6.2.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.2.C. CIVICS &amp; GOVERNMENT</b>	<b>6.2.12. GRADE 12</b>	
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>						
<b>Goods and Services</b>	6.2.9.A. Analyze the <b>flow of goods</b> and <b>services</b> in the national economy.	6.2.U.A. Analyze the <b>flow of goods</b> and <b>services</b> in the national economy.	6.2.W.A. Evaluate the <b>flow of goods</b> and <b>services</b> in an international economy.	6.2.C.A. Analyze the flow of <b>goods</b> and <b>services</b> in the national economy.	6.2.12.A. Evaluate the flow of <b>goods</b> and <b>services</b> in an international economy.	
	<b>Market Competition</b>	6.2.9.B. Explain how <b>competition</b> between buyers and sellers affects <b>price</b> .	6.2.U.B. Intentionally Blank	6.2.W.B. Intentionally Blank	6.2.C.B. Intentionally Blank	6.2.12.B. Analyze the effect of changes in the level of <b>competition</b> in different <b>markets</b> .

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Grades 9,12

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<b>6.2. Markets and Economic Systems</b>					
	<b>6.2.9. GRADE 9</b>	<b>6.2.U. US HISTORY 1850-PRESENT</b>	<b>6.2.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.2.C. CIVICS &amp; GOVERNMENT</b>	<b>6.2.12. GRADE 12</b>
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>					
<b>Advertising and Media</b>	6.2.9.C. Analyze how media affects economic decisions.	6.2.U.C. Evaluate the impact of advertising and media on individual and group behavior throughout United States history.	6.2.W.C. Evaluate the impact of advertising and media on individual and group behavior throughout world history.	6.2.C.C. Analyze how media affects economic decisions.	6.2.12.C. Predict and evaluate how media affects <b>markets</b> .
<b>Price Determination</b>	6.2.9.D. Explain the laws of <b>supply</b> and <b>demand</b> and how these affect the <b>prices</b> of <b>goods</b> and <b>services</b> .	6.2.U.D. Explain how the laws of <b>supply</b> and <b>demand</b> impacted individuals and groups behavior over time.	6.2.W.D. Explain how the laws of <b>supply</b> and <b>demand</b> impacted individuals and groups behavior over time.	6.2.C.D. Intentionally Blank	6.2.12.D. Predict how changes in <b>supply</b> and <b>demand</b> affect <b>equilibrium price</b> and <b>quantity</b> sold.



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<b>6.2. Markets and Economic Systems</b>					
	<b>6.2.9. GRADE 9</b>	<b>6.2.U. US HISTORY 1850-PRESENT</b>	<b>6.2.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.2.C. CIVICS &amp; GOVERNMENT</b>	<b>6.2.12. GRADE 12</b>
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>					
<b>Economic Health</b>	6.2.9.E. Analyze the characteristics of economic expansion, <b>recession</b> , and <b>depression</b> .	6.2.U.E. Analyze the impact of the business cycle on individual and group behavior over time.  Analyze the characteristics of economic expansion, <b>recession</b> , and <b>depression</b> .	6.2.W.E. Analyze the impact of the business cycle on individual and group behavior over time.  Analyze the characteristics of economic expansion, <b>recession</b> , and <b>depression</b> .	6.2.C.E. Analyze the characteristics of economic expansion, <b>recession</b> , and <b>depression</b> .	6.2.12.E. Evaluate the health of an economy (local, regional, national, global) using economic indicators.
<b>Private Economic Institutions</b>	6.2.9.F. Analyze the functions of <b>private economic institutions</b> in the national economy.	6.2.U.F. Analyze the impact of <b>private economic institutions</b> on individuals and groups over time.	6.2.W.F. Analyze the impact of <b>private economic institutions</b> on individuals and groups over time. (Standards 8.4.9.C.)	6.2.C.F. Intentionally Blank	6.2.12.F. Evaluate the impact of <b>private economic institutions</b> on the individual, the national and the international economy.

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<b>6.2. Markets and Economic Systems</b>					
	<b>6.2.9. GRADE 9</b>	<b>6.2.U. US HISTORY 1850-PRESENT</b>	<b>6.2.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.2.C. CIVICS &amp; GOVERNMENT</b>	<b>6.2.12. GRADE 12</b>
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>					
<b>Economic Systems</b>	6.2.9.G. Compare and contrast various <b>economic systems</b> .	6.2.U.G. Compare and contrast various <b>economic systems</b> .	6.2.W.G. Compare and contrast various <b>economic systems</b> .	6.2.C.G. Compare and contrast various <b>economic systems</b> .	6.2.12.G. Evaluate various <b>economic systems</b> .

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<b>6.3. Functions of Government</b>					
<b>6.3.9. GRADE 9</b>	<b>6.3.U. US HISTORY 1850-PRESENT</b>	<b>6.3.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.3.C. CIVICS &amp; GOVERNMENT</b>	<b>6.3.12. GRADE 12</b>	
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>					
<b>Goods and Services</b>	6.3.9.A. Analyze the process through which government provides <b>public goods</b> and <b>services</b> .	6.3.U.A. Intentionally Blank	6.3.W.A. Intentionally Blank	6.3.C.A. Evaluate the <b>costs</b> and benefits of government decisions to provide <b>public goods</b> and <b>services</b> .	6.3.12.A. Evaluate the <b>costs</b> and benefits of government decisions to provide <b>public goods</b> and <b>services</b> .
<b>Government Involvement in the Economy</b>	6.3.9.B. Examine how and why the government acts to regulate and stabilize the state and national economy.	6.3.U.B. Analyze how conflict and cooperation among groups and organizations have impacted the growth and development of the U.S. <ul style="list-style-type: none"> <li>• Ethnicity and Race</li> <li>• Working conditions</li> <li>• Immigration</li> <li>• Military conflict</li> <li>• Economic Stability</li> </ul> (Reference History Standards 8.3.9.D.)	6.3.W.B. Analyze how conflict and cooperation among groups and organizations have influenced the history and development of the world. <ul style="list-style-type: none"> <li>• Ethnicity and Race</li> <li>• Working conditions</li> <li>• Immigration</li> <li>• Military conflict</li> <li>• Economic Stability</li> </ul> (Reference History Standards 8.3.9.D.)	6.3.C.B. Assess the government's role in regulating and stabilizing the state and national economy.	6.3.12.B. Assess the government's role in regulating and stabilizing the state and national economy.

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Grades 9,12

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<b>6.3. Functions of Government</b>						
<b>6.3.9. GRADE 9</b>		<b>6.3.U. US HISTORY 1850-PRESENT</b>	<b>6.3.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.3.C. CIVICS &amp; GOVERNMENT</b>	<b>6.3.12. GRADE 12</b>	
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>						
<b>Taxation</b>	6.3.9.C. Compare and contrast the taxation policies of the local, state, and national governments.	6.3.U.C. Compare and contrast the taxation policies of the local, state, and national governments.	6.3.W.C. Intentionally Blank	6.3.C.C. Evaluate the social, political, and <b>economic costs/benefits</b> of potential changes to taxation policies.	6.3.12.C. Evaluate the social, political, and <b>economic costs/benefits</b> of potential changes to taxation policies.	
	6.3.9.D. Explain why governments limit or promote international <b>trade</b> .	6.3.U.D. Analyze how conflict and cooperation among groups and organizations have impacted the growth and development of the US. <ul style="list-style-type: none"> <li>• Ethnicity and Race</li> <li>• Working conditions</li> <li>• Immigration</li> <li>• Military conflict</li> <li>• Economic Stability</li> </ul> (Reference History Standards 8.3.9.D.)	6.3.W.D. Analyze how conflict and cooperation among groups and organizations have influenced the history and development of the world. <ul style="list-style-type: none"> <li>• Ethnicity and Race</li> <li>• Working conditions</li> <li>• Immigration</li> <li>• Military conflict</li> <li>• Economic Stability</li> </ul> (Reference History Standards 8.3.9.D.)	6.3.C.D. Explain why governments limit or promote international <b>trade</b> .	6.3.12.D. Evaluate the role that governments play in international <b>trade</b> .	

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Grades 9,12

US History (1850-Present), World History (1450-Present), Civics and Government  
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<b>6.4. Economic Interdependence</b>						
<b>6.4.9. GRADE 9</b>		<b>6.4.U. US HISTORY 1850-PRESENT</b>	<b>6.4.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.4.C. CIVICS &amp; GOVERNMENT</b>	<b>6.4.12. GRADE 12</b>	
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>						
<b>Specialization</b>	6.4.9.A. Explain how <b>specialization</b> contributes to economic interdependence on a national and international level.	6.4.U.A. Explain how <b>specialization</b> contributes to economic interdependence on a national and international level.	6.4.W.A. Explain how <b>specialization</b> contributes to economic interdependence on a national and international level.	6.4.C.A. Explain how <b>specialization</b> contributes to economic interdependence on a national and international level.	6.4.12.A. Evaluate the <b>comparative advantage</b> of nations in the <b>production of goods and services</b> .	
<b>Trade</b>	6.4.9.B. Explain how <b>trade</b> contributes to economic <b>interdependence</b> .	6.4.U.B. Intentionally Blank	6.4.W.B. Explain how <b>trade</b> contributes to economic <b>interdependence</b> .	6.4.C.B. Intentionally Blank	6.4.12.B. Assess the growth and impact of international <b>trade</b> around the world.	

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US History (1850-Present), World History (1450-Present), Civics and Government  
Economics

<b>6.4. Economic Interdependence</b>					
	<b>6.4.9. GRADE 9</b>	<b>6.4.U. US HISTORY 1850-PRESENT</b>	<b>6.4.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.4.C. CIVICS &amp; GOVERNMENT</b>	<b>6.4.12. GRADE 12</b>
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>					
<b>Multinational and Non-Government Organizations</b>	6.4.9.C. Explain the scope and influence of <b>multinational corporations</b> and other non-government organizations.	6.4.U.C. Compare the role groups and individuals played in the social, political, cultural, and economic development of the U.S. (Reference History Standards 8.3.9.A.)	6.4.W.C. Compare the role groups and individuals played in the social, political, cultural, and economic development throughout world history. (Reference History Standards 8.4.9.A.)	6.4.C.C. Evaluate the impact of <b>multinational corporations</b> and other non-government organizations.	6.4.12.C. Evaluate the impact of <b>multinational corporations</b> and other non-government organizations.

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Grades 9,12

US History (1850-Present), World History (1450-Present), Civics and Government  
Economics

<b>6.4. Economic Interdependence</b>					
	<b>6.4.9. GRADE 9</b>	<b>6.4.U. US HISTORY 1850-PRESENT</b>	<b>6.4.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.4.C. CIVICS &amp; GOVERNMENT</b>	<b>6.4.12. GRADE 12</b>
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>					
<b>Economic Interdependence</b>	6.4.9.D. Explain how the level of development of transportation, communication networks, and technology affect economic <b>interdependence</b> .	6.4.U.D. Explain how the level of development of transportation, communication networks, and technology affect economic <b>interdependence</b> .	6.4.W.D. Explain how the level of development of transportation, communication networks, and technology affect economic <b>interdependence</b> .	6.4.C.D. Intentionally blank	6.4.12.D. Analyze how changes in transportation, communication networks, and technology affect economic <b>interdependence</b> around the world in the 21 <sup>st</sup> century.

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US History (1850-Present), World History (1450-Present), Civics and Government  
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<b>6.5. Income, Profit, and Wealth</b>					
<b>6.5.9. GRADE 9</b>	<b>6.5.U. US HISTORY 1850-PRESENT</b>	<b>6.5.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.5.C. CIVICS &amp; GOVERNMENT</b>	<b>6.5.12. GRADE 12</b>	
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>					
<b>Factors Influencing Wages</b>	6.5.9.A. Define wages and explain how wages are determined in terms of supply and demand.	6.5.U.A. Intentionally Blank	6.5.W.A. Intentionally Blank	6.5.C.A. Intentionally Blank	6.5.12.A. Analyze the factors influencing wages.
<b>Labor Productivity</b>	6.5.9.B. Describe how productivity is measured and identify ways in which a person can improve his or her productivity.	6.5.U.B. Compare the role groups and individuals played in the social, political, cultural, and economic development of the U.S. (Reference History Standards 8.3.9.A.)	6.5.W.B. Intentionally Blank	6.5.C.B. Intentionally Blank	6.5.12.B. Evaluate how changes in education, incentives, technology, and capital investment alter productivity.



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<b>6.5. Income, Profit, and Wealth</b>					
<b>6.5.9. GRADE 9</b>		<b>6.5.U. US HISTORY 1850-PRESENT</b>	<b>6.5.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.5.C. CIVICS &amp; GOVERNMENT</b>	<b>6.5.12. GRADE 12</b>
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>					
<b>Types of Businesses</b>	6.5.9.C. Identify and explain the characteristics of sole proprietorship, partnership, and corporation.	6.5.U.C. Intentionally Blank	6.5.W.C. Intentionally Blank	6.5.C.C. Intentionally Blank	6.5.12.C. Analyze the costs and benefits of organizing a business as a sole proprietorship, partnership, or corporation.
<b>Profits and Losses</b>	6.5.9.D. Analyze how risks influence business decision-making.	6.5.U.D. Intentionally Blank	6.5.W.D. Intentionally Blank	6.5.C.D. Intentionally Blank	6.5.12.D. Analyze the role of profits and losses in the allocation of resources in a market economy.
<b>Distribution of Wealth</b>	6.5.9.E. Define wealth and describe its distribution within and among the political divisions of the United States.	6.5.U.E. Define wealth and describe its distribution within and among the political divisions of the United States.	6.5.W.E. Compare distribution of wealth across nations.	6.5.C.E. Intentionally Blank	6.5.12.E. Compare distribution of wealth across nations.

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<b>6.5. Income, Profit, and Wealth</b>						
<b>6.5.9. GRADE 9</b>		<b>6.5.U. US HISTORY 1850-PRESENT</b>	<b>6.5.W. WORLD HISTORY 1450-PRESENT</b>	<b>6.5.C. CIVICS &amp; GOVERNMENT</b>	<b>6.5.12. GRADE 12</b>	
<i>Pennsylvania's public schools shall teach, challenge and support every student to realize his or her maximum potential and to acquire the knowledge and skills needed to:</i>						
<b>Entrepreneurship</b>	6.5.9.F. Examine leading entrepreneurs in Pennsylvania and the United States in terms of the risks they took and the rewards they received.	6.5.U.F. Examine leading <b>entrepreneurs</b> in the United States in terms of the risks they took and the rewards they received.	6.5.W.F. Intentionally Blank	6.5.C.F. Intentionally Blank	6.5.12.F. Assess the impact of <b>entrepreneurs</b> on the economy.	
	6.5.9.G. Compare and contrast the various financial tools available to savers.	6.5.U.G. Intentionally Blank	6.5.W.G. Intentionally Blank	6.5.C.G. Intentionally Blank	6.5.12.G. Analyze the risks and returns of various investments.	
	6.5.9.H. Explain the impact of higher or lower interest rates for savers, borrowers, consumers, and producers.	6.5.U.H. Intentionally Blank	6.5.W.H. Intentionally Blank	6.5.C.H. Intentionally Blank	6.5.12.H. Evaluate benefits and costs of changes in interest rates for individuals and society.	

SECONDARY STANDARDS  
Grades 9,12  
US History (1850-Present), World History (1450-Present), Civics and Government  
Economics

**XVIII. GLOSSARY**

<b>Capital Resources:</b>	The physical equipment used in the production of goods and services.
<b>Comparative Advantage:</b>	Economic theory that a country/individual should sell goods and services which it can produce at relatively lower <b>costs</b> and buy goods and services which it can produce at relatively higher <b>costs</b> .
<b>Competition:</b>	The rivalry among people and/or business firms for resources and/or consumers.
<b>Consumer:</b>	One who buys or rents goods or services and uses them.
<b>Corporation:</b>	A business firm that is owned by stockholders and is a legal entity with rights to buy, sell, and make contracts. Its chief advantage is that each owner's liability is limited to the amount of money he or she has invested in the company.
<b>Cost:</b>	What is given up when a choice is made; monetary and/or non monetary.
<b>Demand:</b>	The different quantities of a resource, good, or service that potential buyers are willing and able to purchase at various prices during a specific time period.
<b>Depression:</b>	A severe recession in terms of magnitude and/or length.
<b>Division of Labor:</b>	A method of organizing production whereby each worker specializes in part of the productive process.
<b>Economic Systems:</b>	The way societies organize to determine what goods and services should be produced, how goods and services should be produced and who will consume goods and services. Examples include traditional, command and market.
<b>Economics:</b>	The study of the behavior of individuals and institutions engaged in the production, distribution and consumption of goods and services.

## SECONDARY STANDARDS

Grades 9,12

### US History (1850-Present), World History (1450-Present), Civics and Government Economics

<b>Entrepreneur:</b>	One who organizes, manages, and assumes the risks of a business or enterprise.
<b>Equilibrium Price:</b>	The outlay at which quantity demanded equals quantity supplied; market clearing price.
<b>Goods:</b>	Objects that can satisfy people's wants.
<b>Incentives:</b>	Factors that motivate or influence human behavior.
<b>Interdependence:</b>	Ideas, goods and services in one area affect decisions and events in other areas reducing self-sufficiency.
<b>Market:</b>	A place or process through which goods and services are exchanged.
<b>Multinational Corporations:</b>	Corporations that produce goods or services in many countries as well as engage in international trade.
<b>Opportunity Cost:</b>	The highest valued alternative given up when a decision is made.
<b>Price:</b>	The amount people pay in exchange for a particular good or service.
<b>Private Economic Institutions:</b>	Non-government organizations that participate in economic activities (ex. banks, labor unions, businesses, etc.)
<b>Producer:</b>	One who makes goods or services.
<b>Public Goods:</b>	Goods and services provided by the government rather than by the private sector. Goods and services that more than one person can use without necessarily preventing others from using them.
<b>Recession:</b>	A contraction in National production that lasts six months or longer. A recession might be marked by job layoffs and high unemployment, stagnant wages, reductions in retail sales and slowing of housing and car markets.
<b>Resources:</b>	Inputs used to produce goods and services; categories include natural, human and capital.
<b>Scarcity:</b>	An economic condition that exists when demand is greater than supply.

## SECONDARY STANDARDS

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<b>Services:</b>	Actions that are valued by others.
<b>Specialization:</b>	A form of division of labor in which each individual or firm concentrates its productive efforts on a single or limited number of activities.
<b>Supply:</b>	The different quantities of a resource, good or service that potential sellers are willing and able to sell at various prices during a specific time period.
<b>Trade:</b>	Voluntary exchange between two parties in which both parties benefit.
<b>Wants:</b>	Desires that can be satisfied by consuming goods, services or leisure activities.