

Grades 6 to 8

Fundamentals of Economics

A Describe and identify the characteristics of traditional, command, and market systems. 6.1.6-8.A

B Explain how traditional, command, and market economies answer the basic economic questions: 6.1.6-8.B

- 1 What goods and services should be produced? 6.1.6-8.B.1
 - 2 How will goods and services be produced? 6.1.6-8.B.2
 - 3 Who will consume goods and services? 6.1.6-8.B.3
-

C Describe ways to deal with scarcity within various communities. 6.1.6-8.C

D Explain that scarcity is the condition of not having all the goods and services wanted because resources are limited. 6.1.6-8.D

E Explain how resources can be used in different ways to produce different goods and services. 6.1.6-8.E

F Explain how the additional cost and additional benefit of a choice affects decision-making (marginal analysis). 6.1.6-8.F

G Explain the opportunity cost of a public choice from different perspectives. 6.1.6-8.G

H Explain how incentives affect the behaviors of workers, savers, consumers, and producers. 6.1.6-8.H

I Describe how specialization may lead to increased production and consumption. 6.1.6-8.I

J Explain how trade may improve a society's standard of living. 6.1.6-8.J

K Explain why governments sometimes subsidize or restrict trade (i.e., tariffs or quotas). 6.1.6-8.K

L Explain how specialization and trade lead to interdependence. 6.1.6-8.L

M Explain how opportunity costs influence where goods and services are produced locally and regionally. 6.1.6-8.M

Microeconomics

A Explain the flow of goods, services, and resources in an economy. 6.2.6-8.A

-
- B** Describe the advantages and disadvantages of competition for consumers in markets. 6.2.6-8.B
-
- C** Identify historical examples of monopolies in the United States. 6.2.6-8.C
-
- D** Explain how supply and demand affect the prices of goods and services. 6.2.6-8.D
-
- E** Explain how the location of resources, transportation, and technology have affected United States economic patterns. 6.2.6-8.E
-
- F** Define wages and explain how wages are determined by the supply of and demand for workers. 6.2.6-8.F
-
- G** Describe how productivity is measured and identify ways in which a person can improve his or her productivity. 6.2.6-8.G
-
- H** Identify and explain the characteristics of the three types of businesses: sole proprietorship, partnership, and corporation. 6.2.6-8.H
-
- I** Explain how profits and losses serve as incentives. 6.2.6-8.I
-
- J** Investigate leading entrepreneurs in Pennsylvania and the United States and describe the characteristics of successful entrepreneurship (including risks and rewards). 6.2.6-8.J
-

Macroeconomics

- A** Define macroeconomic indicators such as the Consumer Price Index (CPI), gross domestic product (GDP), and unemployment rate. 6.3.6-8.A
-
- B** Describe historical examples of expansion, recession, and depression in the United States. 6.3.6-8.B
-
- C** Define fiscal policies available to the federal government. 6.3.6-8.C
-
- E** Define the three different types of tax structures (progressive, proportional, and regressive) and different tax bases, such as income, wealth, property, etc. 6.3.6-8.E
-
- F** Compare the taxation policies of local, state, and national government levels in the economy. 6.3.6-8.F
-
- G** Analyze the economic roles of governments in market economies in promoting growth and stability and providing legal frameworks (laws and regulations). 6.3.6-8.G
-
- H** Identify policies governments can use to address unintended consequences (i.e., externalities) of market activities. 6.3.6-8.H
-
- I** Explain why the government provides public goods and services (e.g., education, infrastructure, national defense, safety and health). 6.3.6-8.I
-

Money and Economic Institutions

- A Identify and explain various forms of payments used in markets.** 6.4.6-8.A

- B Explain why you have to exchange currencies to purchase goods when you visit another country.** 6.4.6-8.B

- D Explain how banks and other financial institutions channel funds from savers to borrowers and investors.** 6.4.6-8.D

- E Explain the history, structure, and purposes of the Federal Reserve System.** 6.4.6-8.E

- F Define nongovernmental economic institutions (e.g., labor unions, non-profits, financial markets).** 6.4.6-8.F

- G Explain the impact of higher or lower interest rates for savers, borrowers, consumers, and producers.** 6.4.6-8.G