



Alignment Document
State of Minnesota
And
Aventa Learning Economics

Minnesota K-12 Academic Standards in History and Social Studies Curriculum and Assessment Alignment Form

HISTORY AND SOCIAL STUDIES

If a nation expects to be ignorant and free, in a state of civilization, it expects what never was and never will be . . . I know of no safe depository of the ultimate powers of the society but the people themselves. And if we think them not enlightened enough to exercise their control with wholesome discretion, the remedy is not to take it from them, but to inform their discretion by education. - Thomas Jefferson

Public education in Minnesota must help students gain the knowledge and skills that are necessary to, in Jefferson's view, protect and maintain freedom. The Social Studies Standards on the following pages attempt to do just this by specifying the particular knowledge and skills that Minnesota students will be required to learn in the disciplines of U.S. History, World History, Geography, Economics and Civics as required by Minnesota statutes.

These standards are written with the recognition that additional academic disciplines, Psychology, Sociology, and Anthropology, have strong traditions of instruction in Minnesota schools. Schools may choose to continue teaching in these academic disciplines as local traditions, interest, and school priorities dictate.

Minnesota Academic Standards in History and Social Studies

ECONOMICS

What is Economics?

Economics is the study of how people coordinate their wants and desires, given scarce resources and the decision-making mechanisms, social customs, and political realities of their societies. Decisions made by consumers, workers, investors, managers, and government officials interact to determine the allocation of scarce resources.

Economics is a way of thinking about the world based on a set of principles that are useful for understanding almost any economic situation, from decisions that individuals make to the workings of highly complex international financial markets.

Economists have developed principles that are useful in understanding the economic decisions of individuals and firms (Microeconomics). Economists also examine the behavior of the economy as a whole through such measures as unemployment, inflation, economic growth, and balance of trade (Macroeconomics).

Why study Economics?

Today's students will face an increasing variety of important economic decisions in their personal lives and as citizens in a democratic society. The study of economics enables students to make reasoned judgments about both personal economic questions and broader questions of economic policy in a complex and changing world. A basic grasp of how markets works and of the tradeoffs involved in trying to meet unlimited wants with limited resources is essential for meaningful democratic dialogue on what government should or should not be doing.

Strand	Sub-Strand	Standards	Benchmarks	Curriculum	Assessment
ECONOMICS GRADES 9-12					
VI. ECONOMICS	A. The Market Economy (Micro Economics)	The student will understand that in a market economy income is earned in different ways.	<ol style="list-style-type: none"> 1. Students will identify multiple forms of income and their sources. 2. Students will recognize types and roles of firms. 	This standard is met through Unit 4, Section 1, in which students learn about different ways in which people earn income. Students also learn about different types of business organizations in Unit 6.	A Unit 4 warm-up activity asks students to write about an idea for making income, given certain variables. Unit 6 quiz and exam questions assess student learning about ways of earning income through business and investment.
VI. ECONOMICS	A. The Market Economy (Micro Economics)	The student will understand business organizations, market structures, and financial institutions that operate within our economy.	<ol style="list-style-type: none"> 1. Students will identify and compare and contrast various industries and the occupations related to them. 2. Students will compare and contrast the concepts of competition and monopoly, and predict consequences of each. 3. Students will describe various financial institutions, compare and contrast their roles, and explain how those institutions relate to their lives. 	Students work through Unit 4, Section 6, which deals with the structure and roles of the Federal Reserve System. This standard is primarily met through Unit 6, in which students learn about financial institutions: Section 2 discusses types of business organizations and monopolies, while Section 3 deals with types and functions of financial institutions.	Students are assessed on their knowledge of the Federal Reserve System during the Unit 4 exam. Student learning for this standard is primarily assessed through Unit 6, Sections 2 and 3 practice activities, discussion assignments and writing assignments. Students also answer quiz and exam questions pertaining to this standard throughout Unit 6.
VI. ECONOMICS	A. The Market Economy (Micro Economics)	The student will understand the basic characteristics of markets and the role of prices in modern market economies.	<ol style="list-style-type: none"> 1. Students will describe the determination of equilibrium market prices by applying principles of supply and demand to markets for goods and services. 2. Students will identify the direct and indirect effects of price floors and price ceilings. 	Unit 4 addresses many of the characteristics and principles of a free market economy. Unit 4, Section 6 addresses how the Federal Reserve decides to set/change interest	Some Unit 4, quiz 1 and Unit 4 exam questions assess this standard. This standard is also assessed through practice activities, discussion

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			<p>3. Students will identify several factors that lead to variation in market prices and quantities exchanged by changes in supply and/or demand.</p> <p>4. Students will explain how interest rates and exchange rates are influenced by market conditions and how changes in interest rates affect individual and business decision making.</p>	<p>rates. Students also learn about the concept of supply and demand throughout Unit 5, including how supply and demand affect prices, factors that influence supply and demand, and how they interact to move towards equilibrium.</p>	<p>assignments, and quiz and exam questions throughout Unit 5. For example, a Unit 5 exam essay question asks students to provide examples of the principles of supply and demand.</p>
<p>VI. ECONOMICS</p>	<p>A. The Market Economy (Micro Economics)</p>	<p>The student will understand that firms in a market economy experience varying degrees of competition for the good or service that they sell.</p>	<p>1. Students will explain how competition among sellers often results in lower prices, higher product quality, better customer service and a more efficient allocation of scarce resources.</p>	<p>In Unit 2, Section 3, students learn how competition aids in the allocation of scarce resources. This standard is also met in Unit 4, Section 2, in which students learn about the benefits of a free market economy, such as a variety of goods and lower prices.</p>	<p>Students answer questions on market competition and scarcity in Unit 2, quiz 2 and the Unit 2 exam. Also, in a Unit 4, Section 2 activity, students must identify some scenarios as examples of the benefits of a free market economy.</p>
<p>VI. ECONOMICS</p>	<p>A. The Market Economy (Micro Economics)</p>	<p>The student will understand the risks and opportunities associated with entrepreneurship.</p>	<p>1. Students will explain that entrepreneurs accept the risks associated with organizing productive resources to produce goods and services, with the hope to earn profits.</p> <p>2. Students will describe the role of innovation and profit motive in helping to reduce problems associated with scarcity.</p>	<p>Students work through Unit 2, Section 3, which addresses entrepreneurship, innovation, scarcity and ways of dealing with scarcity. In Unit 4, Section 2, students learn how entrepreneurs are motivated by profit to make and sell goods and services. Some examples of entrepreneurs are discussed in Unit 4,</p>	<p>In a Unit 2, Section 3 writing assignment, students describe the role of entrepreneurship in a product that they use often. Some Unit 2 exam questions also assess this standard. In a Unit 4, Section 2 practice activity, students must identify a scenario as an example of profit motive. In a Unit 4, Section 3 writing</p>

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				Section 3.	assignment, students must develop an idea for an invention. Some Unit 4 quiz and exam questions also assess this standard.
VI. ECONOMICS	A. The Market Economy (Micro Economics)	The student will understand the role of labor in the economy.	<ol style="list-style-type: none"> 1. Students will describe the role and characteristics of collective bargaining, as well as the key components of a typical negotiated labor management contract. 2. Students will describe and analyze the role of unions in the United States economy in the past and present. 	In Unit 2, Section 3, students learn that labor is one of the factors of production.	Some Unit 2 exam questions address labor as a factor of production.
VI. ECONOMICS	A. The Market Economy (Micro Economics)	The student will understand the economic role of government in a free market economy.	<ol style="list-style-type: none"> 1. Students will identify that one important role for government in the economy is to secure and enforce property rights. 2. Students will identify and explain public goods. 3. Students will recognize that, in the United States, the federal government enforces antitrust laws and regulations to try to maintain effective levels of competition in as many markets as possible. 4. Students will recognize that some government policies attempt to redistribute income. 	Unit 2, Section 3 deals in part with the government's role in maintaining competition. This standard is primarily addressed through Unit 4: Section 2 discusses the right to buy and sell property, Section 3 deals with public goods and how government programs redistribute income, and in Section 4 students learn about the economic role of state and local governments. Students also learn about antitrust laws and government blocking of mergers to maintain competition in Unit 6, Section 2.	Students must discuss their opinions on the government's ability to distribute important resources in an assignment for Unit 2, Section 3. Some Unit 2, quiz 2 questions address the government's role in maintaining competition and allocating resources. This standard is primarily assessed through Unit 4: in Section 2 and 3 assignments and practice activities, and in Unit 4 quiz and exam questions. Some Unit 6 exam questions also assess learning for this standard.

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VI. ECONOMICS	B. The National Economy (Macro Economics)	The student will understand the economic activities of government.	<ol style="list-style-type: none"> 1. Students will explain that the government pays for the goods and services it provides through taxing and borrowing. 2. Students will explain how the government regulates economic activity to promote the public welfare, encourage competition, and protect against monopolistic abuses. 	This standard is met through Unit 4. Specifically, in Section 2 students learn how and why government regulates economic activity. In Section 3 students learn how the government can stimulate the economy (through job creation, grants, etc.), and in Section 4 students learn about government income and expenditures.	Throughout Unit 4, students complete games and practice activities to assess their learning for this standard. Quiz and exam questions for Unit 4 also assess this standard, including an exam essay question on how and why taxes are collected and used.
VI. ECONOMICS	B. The National Economy (Macro Economics)	The student will understand the concepts that measure the national economy.	<ol style="list-style-type: none"> 1. Students will define and give examples of basic economic terms. 2. Students will give examples of measurements that indicate the economic conditions of depression, recession, and expansion. 	This standard is met throughout the course as students work through sections on various economic concepts. Specifically, Unit 4, Section 3 explains the difference between microeconomics and macroeconomics. Also, in Unit 7, students learn about economic measurements such as Gross Domestic Product.	This standard is assessed through practice activities, writing assignments, discussion assignments, and various quiz and exam questions throughout the course, particularly in Unit 7.
VI. ECONOMICS	B. The National Economy (Macro Economics)	The student will understand and explain that the United States' economy is primarily a free market system.	1. Students will understand and explain that free market economies are regulated primarily by supply and demand, and that competition is essential to a free market economy.	In Unit 3, Section 3, students learn about the free market economy and its characteristics, including the need for competition to make the system work. Unit	Students answer questions pertaining to this standard in Unit 3, quiz 2, and the Unit 3 exam. In a Unit 4, Section 2 practice activity, students must identify some

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				4 also deals with the free market system—Sections 1 and 2 in particular address the basics of a free market system. Finally, students learn about supply and demand through Unit 5.	scenarios as examples of the principles of the free market economy. Some Unit 4 and 5 quiz and exam questions also assess this standard.
VI. ECONOMICS	B. The National Economy (Macro Economics)	The student will understand basic measures of overall economic performance.	<ol style="list-style-type: none"> 1. Students will analyze the interrelationships among the unemployment rate, the inflation rate, and the rate of economic growth. 2. Students will describe how the concept of the balance of trade is used to measure the international flow of goods and services. 	In Unit 7, students learn about various measures of economic performance, such as the Gross Domestic Product. Students examine unemployment—types, how the rate is calculated, how it influences the economy—in Unit 7, Section 4. Unit 7, Section 5 addresses inflation, its causes, and how it is used to measure economic performance.	This standard is assessed through games, practice activities, writing assignments and discussion assignments throughout Unit 7, especially Sections 4 and 5. Students also answer several quiz and exam questions pertaining to this standard as they work through Unit 7.
VI. ECONOMICS	B. The National Economy (Macro Economics)	The student will analyze the causes and consequences of overall economic fluctuations.	<ol style="list-style-type: none"> 1. Students will describe the basic characteristics of economic recessions and economic expansions. 2. Students will understand some of the reasons for fluctuations in economic activity. 	Student learning meets this standard during Unit 7, Section 3, which deals with business cycles, their phases (expansion, peak, contraction, trough), the factors that influence them (customer viewpoints, interest rates, etc.), and how they relate to economic conditions	This standard is assessed through practice activities for Unit 7, Section 3, as well as Unit 7, quiz 2 questions. The Unit 7 exam includes an essay about business cycles.

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<p>VI. ECONOMICS</p>	<p>B. The National Economy (Macro Economics)</p>	<p>The student will understand the influence of federal government budgetary policy and the Federal Reserve System’s monetary policy.</p>	<ol style="list-style-type: none"> 1. Students will identify that fiscal policies are decisions to change spending and/or tax levels by the federal government. 2. Students will explain the direct and indirect effects of fiscal policy on employment, output, and interest rates. 3. Students will explain the relationship between federal budget deficits and the national debt. 4. Students will identify the ways in which monetary policy influences employment, output, inflation, and interest rates. 5. Students will explain how interest rates influence business investment spending and consumer spending on housing, cars, and other major purchases. 	<p>such as recession and depression.</p> <p>In Unit 4, Section 5 students learn about fiscal policy, including how the government sets the budget, expansionary and contractionary fiscal policies (and how they influence employment and inflation), deficit and how national debt affects the economy. Students also work through Unit 4, Section 6, about the Federal Reserve System—its structure and roles, and how monetary policy affects employment, output, inflation and interest rates.</p>	<p>Throughout Unit 4, Sections 5 and 6, students complete games, practice activities, and writing assignments to assess their learning for this standard. Unit 4, quizzes 4 and 5 also assess this standard, as does the Unit 4 exam.</p>
<p>VI. ECONOMICS</p>	<p>B. The National Economy (Macro Economics)</p>	<p>The student will understand that economic growth is the primary means by which a country can improve the future economic standard of living for its citizens.</p>	<ol style="list-style-type: none"> 1. Students will explain that Gross Domestic Product (GDP) per capita is a measure that permits comparisons of material living standards over time and among people in different nations. 2. Students will identify that the productivity of workers is measured by dividing the output of goods and services by the number of hours worked. 3. Students will recognize that standards of living increase as the productivity of workers rises. 4. Students will understand that investments in physical capital (machinery, equipment, and structures), human capital (education, training, skills), and new technologies commonly increase productivity and contribute to an expansion of future 	<p>Unit 7, Section 2 addresses Gross Domestic Product, how it is measured, and how it is used to determine growth of an economy. This standard is also met through Unit 8, Section 3, in which students learn how GDP per capita measures the standard of living in different countries, and about different factors that affect development (growth).</p>	<p>This standard is assessed through a Unit 7, Section 2 practice activity and writing assignment, as well as Unit 7, quiz 2 questions. Some of the Unit 7 exam assesses this standard, particularly an essay question about the GDP. In Unit 8, Section 3, students must complete a practice activity assessing their learning about the</p>

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			economic prosperity.		characteristics of development, and a Unit 8 exam essay question asks students to write about factors that influence economic development.
VI. ECONOMICS	C. Essential Skills	The student will understand and use economic concepts, theories, principles and quantitative methods to analyze current events.	<ol style="list-style-type: none"> <li data-bbox="842 475 1409 557">1. Students will use tables, graphs, equations, diagrams, and charts to interpret economic information. <li data-bbox="842 597 1409 711">2. Students will evaluate the economic implications of current issues as found in such sources as magazine articles, radio and television reports, editorials, and Internet sites. <li data-bbox="842 751 1409 898">3. Students will distinguish among the contributions to economic thought made by leading theorists including but not limited to, Adam Smith, Thomas Malthus, Karl Marx, Milton Friedman, and John Maynard Keynes. 	This standard is addressed throughout the course. In particular, students must learn to check on stock market progress and interpret and evaluate any news that may affect stock performance through the stock market Research Project. Also, in Unit 2, Section 2, students learn about the theories of Smith, Malthus, Alfred Marshall and David Ricardo. Students also learn about Smith and Keynes in Unit 4, Section 2. In Unit 5, students create, use, and interpret supply and demand schedules, demand curves, supply graphs, and shortage/surplus graphs. In Units 7 and 8, students must find and interpret news articles relating to the concepts for those units.	This standard is assessed throughout the course. Students' ability to interpret and evaluate tables and current issues are assessed through the stock market Research Project. Also, for Unit 2, Section 2 students must complete a notebook entry and writing assignment demonstrating their learning about Adam Smith's theories, and answer Unit 2 quiz and exam questions addressing this standard. The Unit 4 exam includes an essay question in which students apply the theories of Smith and Keynes to our current economic system. Several Unit 5 activities and assessment questions ask students to interpret information on charts and graphs.

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					In Units 7 and 8, students must complete writing assignments based on their interpretations of news articles relating to the concepts for those units.
VI. ECONOMICS	C. Essential Skills	The student will learn and be able to apply personal financial management and investment practices.	<ol style="list-style-type: none"> 1. Students will analyze short- and long-term investment options such as stocks, bonds, real estate, and mutual funds by comparing the risk, return, and liquidity of these instruments. 2. Students will recognize a proper role for credit and how to utilize risk management strategies including the use of insurance. 3. Students will explain the concepts of compound interest and the Rule of 72, and the applicability to both investment gains and debt retirement. 	Throughout the course, students must learn and apply information about stocks and the stock market in order to complete a Research Project. In Unit 6, Section 3, students learn about credit, certificates of deposit and money market accounts. Students also work through Unit 6, Section 4, in which they learn about different types of investments.	For the stock market Research Project, students must participate in a stock investment simulation and analyze the results of their research and performance. This standard is also assessed through Unit 6 exam questions, particularly an essay question for which students must evaluate different types of investments, and an essay question asking students to explain how investment affects the economy.
VI. ECONOMICS	D. International Economic Relationships	The student will understand the key factors involved in the United States' economic relationships with other nations.	<ol style="list-style-type: none"> 1. Students will understand and apply the concepts of comparative and absolute advantage in international trade. 2. Students will analyze the controversy and major arguments for and against international trade agreements such as NAFTA and GATT. 3. Students will know the major characteristics of the principal types of economic systems in this 	This standard is primarily met through Unit 3 and Unit 8. Specifically, in Unit 3, Section 2 students learn about the economic significance of the location of resources around the world (such as oil).	This standard is primarily assessed through Unit 3 and Unit 8. Specifically, in Unit 3 students may use interactive graphics to formatively assess their learning about economic systems.

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			<p>world and compare and contrast them with the U.S. system.</p> <p>4. Students will know and understand the significance of these concepts: trade deficits, exchange rates, trade barriers, balance of trade, foreign exchange markets, and give examples of their current application to U.S. trade relationships with other countries in the world.</p> <p>5. Students will know the roles of the World Bank and IMF, analyze their effectiveness in the world community, and critique their operation in a specific country.</p> <p>6. Students will examine the impact of U.S. foreign policy on the economies of developing countries.</p> <p>7. Students will know and analyze the reasons some countries are characterized as developing nations.</p> <p>8. Students will examine the purpose and evaluate the effectiveness of U.S. economic aid to developing countries.</p>	<p>Unit 3, Section 3 deals with traditional economies and how they compare to free market economies. In Unit 3, Section 4 students learn about centrally planned/command economies, and in Section 5 they learn about mixed or modernized economies. In Unit 8, Section 2, students learn about international trade, including the concepts of comparative and absolute advantage, trade barriers and international trade agreements. Unit 8, Section 3 addresses comparative economic development and factors that influence development. In Unit 8, Section 4, students learn about the World Bank and the IMF, their functions, and how they have affected countries around the world.</p>	<p>They must also complete practice activities, answer discussion questions, quiz questions and exam questions about economic systems. One essay question in particular for the Unit 3 exam asks students to compare, contrast and evaluate different types of economic systems. In Unit 8, student learning about the United States' economic relationship with other nations is assessed through interactive graphics and games, writing assignments, discussion assignments, and quiz and exam questions.</p>
VI. ECONOMICS	E. Economics and Public Policy	The student will apply economic theories and concepts to public policy issues.	1. Students will know the definitions, evaluate the purposes, and analyze the effects of the following economic activities: government subsidies, government incentives, economic externalities, profit maximization, multinational corporations, unions, right to work laws, government	In Unit 4, Section 3, students learn how government provides public goods and gives incentives to encourage entrepreneurship. In	This standard is assessed in part through Unit 4 exam questions—particularly an essay question in which

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			<p>deregulation, entitlements, progressive taxes, government's role in providing in public goods, economic safety nets, and corporate crime.</p> <p>2. Students will use their knowledge of economic concepts and data to analyze a significant national public policy issue and recommend a solution.</p> <p>3. Students will know and analyze how income, and wealth are distributed among different sectors of the population.</p> <p>4. Students will know how poverty is defined in the U.S., what its causes are, examine possible solutions, and analyze the impact poverty has on the short and long run health of the economy.</p> <p>5. Students will use their knowledge of economics to describe and analyze significant world economic issues.</p> <p>6. Students will use the analytical skills commonly used in economics to analyze public policy issues in their community, state, and nation.</p> <p>7. Students will identify and analyze the conflicts that can result from differences between business interests and community interests.</p> <p>8. Students will examine and analyze the economic principles practiced in this country to determine their consistency with the democratic principles upon which our country is based.</p>	<p>Unit 8, Section 2, students learn about the purposes and effects of multinational corporations.</p> <p>Students learn about government redistribution programs in Unit 4, Section 3.</p>	<p>students must describe how fiscal policies affect the economy. This standard is also assessed through a Unit 8 exam question on the global benefits of international trade and multinational corporations. Additionally, for a Unit 4, Section 4 discussion assignment, students are asked to analyze whether the government does enough or too much to help the poor and disadvantaged.</p>