

# Grade 12: Economics

## ECONOMICS

- 1 Define scarcity, land, and opportunity costs; understand the concepts of resources and wants and needs; recognize that productive resources are limited and why individuals, businesses, and governments have to make choices in order to meet needs and wants.** [SS.E.AAS.12.1](#)
  - a Categorize examples of productive resources. [SS.E.AAS.12.1A](#)

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- 2 Understand the concepts of costs and benefits; identify the trade-offs involved in economic decisions; recognize the associated costs and benefits of a given situation.** [SS.E.AAS.12.2](#)

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- 3 Understand that economic systems answer the three basic economic questions of what to produce, how to produce, and for whom to produce; identify how the three basic economic questions are answered in a mixed market economy.** [SS.E.AAS.12.3](#)
  - a Identify examples of different types of economic systems. [SS.E.AAS.12.3A](#)

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- 4 Recognize the role of the government in a market economy; recognize examples of how the government is involved in the economy.** [SS.E.AAS.12.4](#)
  - a Classify government activities as specific examples of the government's role in the economy. [SS.E.AAS.12.4A](#)

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- 5 Understand the concepts of economic growth and standard of living; recognize ways to encourage economic growth.** [SS.E.AAS.12.5](#)

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- 6 Understand the concept of specializing and voluntary exchange between buyers and sellers; recognize the process of producing, selling, and buying goods and services in a market economy.** [SS.E.AAS.12.6](#)
  - a Construct supply and demand curves. [SS.E.AAS.12.6A](#)

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- 7 Understand the role of businesses in a market economy; recognize that businesses are important in the distribution of goods and services; recognize different business types and the goods and services they sell to consumers.** [SS.E.AAS.12.7](#)

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- 8 Define labor; recognize that labor is an essential part of the economic system; identify characteristics that are most likely to increase wages and benefits.** [SS.E.AAS.12.8](#)

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**9 Identify ways the economy is measured and activities associated with a strong economy.** SS.E.AAS.12.9

a Calculate the unemployment rate. SS.E.AAS.12.9A

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**10 Define the United States Federal Reserve System and describe its purpose.** SS.E.AAS.12.10

a Define monetary policy. SS.E.AAS.12.10A

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**11 Understand the concepts of price stability, full employment, and economic growth.** SS.E.AAS.12.11

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**12 Identify the benefits of trading with individuals, businesses, and other countries.** SS.E.AAS.12.12

a Define absolute advantage and comparative advantage. SS.E.AAS.12.12A

b Define exchange rates. SS.E.AAS.12.12B

c Recognize how changes in exchange rates affect trade including trade wars with China today. SS.E.AAS.12.12C