



**QualityCore™**



# **Economics**

## **Course Objectives**

### **Contents**

This booklet provides a list of course objectives for a rigorous Economics course.



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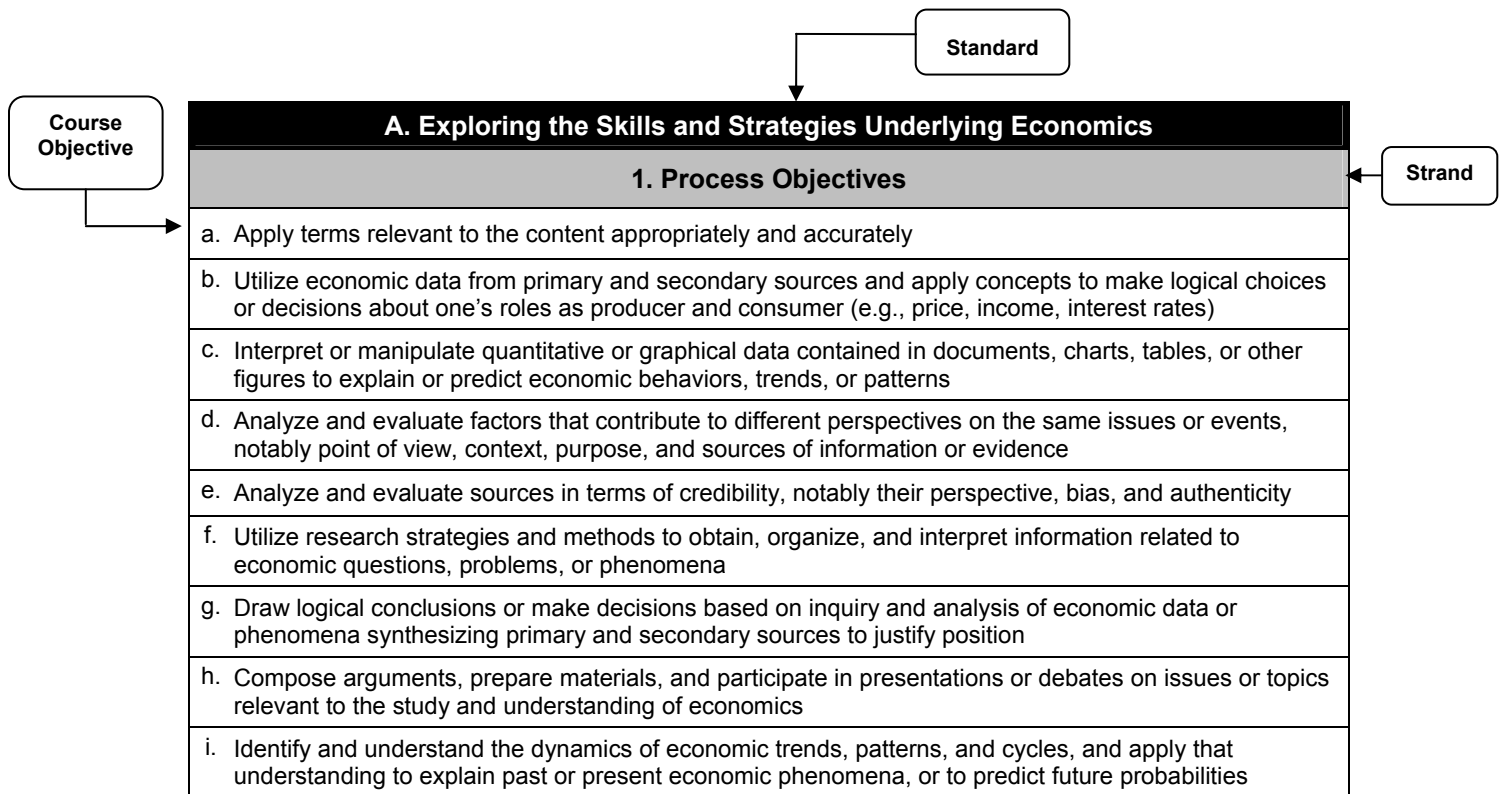
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## Origin of Course Objectives

The course objectives listed in this booklet (pp. 2–3) were developed by examining the course objectives, pacing charts, and syllabi submitted by selected social studies teachers participating in an extension of the ACT–Education Trust study *On Course for Success: A Close Look at Selected High School Courses That Prepare All Students for College* (see <http://www.act.org/path/policy/reports/success.html>). The study focused on ten successful high schools where the student population was at least 40% minority and/or 50% low income. Each of the schools produced a significant proportion of graduates who had met or exceeded ACT College Readiness Benchmark Scores, scores that predict success in specific entry-level college courses. The course objectives were also reviewed by practicing classroom teachers across the nation.

## Organization of Objectives

As shown below, the set of Economics course objectives are organized according to three levels: from general (Standard) to intermediate (Strand) to specific (Course Objective).



The Economics course objectives include 2 standards that address the “big ideas” (i.e., overarching themes or foundational concepts) in the area of economics. These standards are listed below.

- A.** Exploring the Skills and Strategies Underlying Economics
- B.** Economic Concepts, Structures, and Institutions

The course objectives on the following pages represent what students should know and be able to do in a rigorous Economics course.

## Economics Course Objectives

<b>A. Exploring the Skills and Strategies Underlying Economics</b>
<b>1. Process Objectives</b>
a. Apply terms relevant to the content appropriately and accurately
b. Utilize economic data from primary and secondary sources and apply concepts to make logical choices or decisions about one's roles as producer and consumer (e.g., price, income, interest rates)
c. Interpret or manipulate quantitative or graphical data contained in documents, charts, tables, or other figures to explain or predict economic behaviors, trends, or patterns
d. Analyze and evaluate factors that contribute to different perspectives on the same issues or events, notably point of view, context, purpose, and sources of information or evidence
e. Analyze and evaluate sources in terms of credibility, notably their perspective, bias, and authenticity
f. Utilize research strategies and methods to obtain, organize, and interpret information related to economic questions, problems, or phenomena
g. Draw logical conclusions or make decisions based on inquiry and analysis of economic data or phenomena synthesizing primary and secondary sources to justify position
h. Compose arguments, prepare materials, and participate in presentations or debates on issues or topics relevant to the study and understanding of economics
i. Identify and understand the dynamics of economic trends, patterns, and cycles, and apply that understanding to explain past or present economic phenomena, or to predict future probabilities
<b>B. Economic Concepts, Structures, and Institutions</b>
<b>1. Concepts and Principles</b>
a. Explain the terms <i>microeconomics</i> and <i>macroeconomics</i>
b. Recognize that productive resources (e.g., natural, human, capital) are limited
c. Describe the nature of scarcity and how nations of the world make choices that involve economic and social costs and benefits
d. Analyze the effectiveness of the ways in which societies, nations, and regions of the world attempt to satisfy their basic needs and wants by utilizing scarce resources
e. Explain how prices reflect the relative scarcity of goods and services and perform the allocative function in a market economy
f. Explain how specialization and competition influence the allocation of resources
g. Evaluate the role of private property as an incentive for conserving and improving scarce resources, including renewable and nonrenewable natural resources
h. Recognize that markets exist when buyers and sellers interact
i. Explain how the exchange of goods and services (i.e., trade) creates economic interdependence and change
j. Identify factors that influence market supply and demand
k. Describe how prices send signals to buyers and sellers
l. Identify causes of inflation and who typically gains and loses
m. Explain how all economic decisions entail an opportunity cost
n. Explain marginal cost-benefit analysis, whereby effective decisions are made by comparing the additional costs of alternatives with the additional benefits
o. Analyze various economic indicators (e.g., GDP, CPI, consumer confidence), and use those indicators to predict or explain economic behaviors and phenomena
p. Characterize and compare major economic theories, identifying individuals and historical circumstances in which these theories were developed and their past and present application

## Economics Course Objectives

<b>B. Economic Concepts, Structures, and Institutions (continued)</b>
<b>2. Institutions and the Global Economy</b>
a. Compare the multiple roles (e.g., consumer, saver, investor, producer, earner, borrower, lender, taxpayer, recipient of government services) people have in the global economy and recognize the interrelationships that exist among them
b. Describe the relationships among economic institutions in various economic systems (e.g., households, business firms, banks, government agencies, labor unions, credit companies, insurance companies)
c. Explain why individuals, businesses, and governments trade goods and services
d. Explain the basic functions of government in a market economy (e.g., providing for national defense, addressing environmental concerns, defining and enforcing property rights, attempting to make markets more competitive, protecting consumers' rights)
e. Describe the aims of government fiscal policies (e.g., taxation, borrowing, spending) and their influence on production, employment, and price levels
f. Describe economic stabilization policies and how they impact the economy
g. Explain how government intervention in market prices (e.g., minimum-wage policies, rent freezes, farm subsidies) can cause shortages or surpluses of a good or service
h. Explain how economic decision making has become global as a result of an interdependent world economy
i. Describe global economic interdependence and competition and analyze their influence on domestic, national, and international policies
j. Explain the basic characteristics of international trade, including absolute and comparative advantage, barriers to trade, exchange rates, and balance of trade
k. Analyze the causes and effects of international mobility of capital and labor
<b>3. Finance and Economic Systems</b>
a. Analyze the impact of economic incentives on the choices individuals, households, businesses, governments, and societies make to use scarce human capital and natural resources more efficiently
b. Identify the characteristics and functions of money
c. Explain the operations of common financial instruments (e.g., stocks, bonds)
d. Explain various types of taxes (e.g., progressive, regressive, proportional) in terms of their aims, costs, and benefits
e. Explain how interest rates (e.g., short- and long-term) are determined by market forces that influence the amount of borrowing and saving done by investors, consumers, and government officials
f. Explain how investment in factories, machinery, new technology, and the health, education, and training of people can increase productivity and raise future standards of living
g. Describe how conditions in an economy influence, and are influenced by, the decisions of consumers, producers, economic institutions, and governments
h. Recognize that a country's overall levels of income, employment, and prices are determined by the spending and production decisions of households, businesses, and government
i. Describe how the earnings of workers are potentially determined by the market value of the product produced and by workers' productivity in market economies
j. Analyze how domestic and international competition in a market economy affects the goods and services produced and the quality, quantity, and price of those products
k. Compare the characteristics of different market structures, including pure competition, oligopoly, monopoly, and monopolistic competition
l. Compare and evaluate different types of economies (e.g., traditional, command, market, mixed), and analyze how they have been affected in the past by specific social and political systems and important historical events