



Impact on Teaching	Impact on Learning
Teachers will...	Students will...

C3 FRAMEWORK INDICATORS: GRADES 3-5

ECONOMICS

DIMENSION 2: Applying Disciplinary Concepts and Tools: ECONOMICS

ECONOMIC DECISION MAKING	EXCHANGE AND MARKETS	THE NATIONAL ECONOMY	THE GLOBAL ECONOMY
<ul style="list-style-type: none"> • D2.Eco.1.3-5. Compare the benefits and costs of individual choices. • D2.Eco.2.3-5. Identify positive and negative incentives that influence the decisions people make. 	<p><i>By the end of Grade 5, individually and with others, students will...</i></p> <ul style="list-style-type: none"> • D2.Eco.3.3-5. Identify examples of the variety of resources (human capital, physical capital, and natural resources) that are used to produce goods and services. • D2.Eco.4.3-5. Explain why individuals and businesses specialize and trade. • D2.Eco.5.3-5. Explain the role of money in making exchange easier. • D2.Eco.6.3-5. Explain the relationship between investment in human capital, productivity, and future incomes. • D2.Eco.7.3-5. Explain how profits influence sellers in markets. • D2.Eco.8.3-5. Identify examples of external benefits and costs. • D2.Eco.9.3-5. Describe the role of other financial institutions in an economy. 	<ul style="list-style-type: none"> • D2.Eco.10.3-5. Explain what interest rates are. • D2.Eco.11.3-5 Explain the meaning of inflation, deflation, and unemployment. • D2.Eco.12.3-5. Explain the ways in which the government pays for the goods and services it provides. • D2.Eco.13.3-5. Describe ways people can increase productivity by using improved capital goods and improving their human capital. 	<ul style="list-style-type: none"> • D2.Eco.14.3-5. Explain how trade leads to increasing economic interdependence among nations. • D2.Eco.15.3-5. Explain the effects of increasing economic interdependence on different groups within participating nations.
APPLICATION			
CONNECTIONS TO THE COMMON CORE STATE STANDARDS			

ECONOMICS

EFFECTIVE ECONOMIC DECISION making requires that students have a keen understanding of the ways in which individuals, businesses, governments, and societies make decisions to allocate human capital, physical capital, and natural resources among alternative uses. This economic reasoning process involves the consideration of costs and benefits with the ultimate goal of making decisions that will enable individuals and societies to be as well off as possible. The study of economics provides students with the concepts and tools necessary for an economic way of thinking and helps students understand the interaction of buyers and sellers in markets, workings of the national economy, and interactions within the global marketplace.

Economics is grounded in knowledge about how people choose to use resources. Economic understanding helps individuals, businesses, governments, and societies choose what resources to devote to work, to school, and to leisure; how many dollars to spend, and how many to save; and how to make informed decisions in a wide variety of contexts. Economic reasoning and skillful use of economic tools draw upon a strong base of knowledge about human capital, land, investments, money, income and production, taxes, and government expenditures.

People make decisions about how to use scarce resources to maximize the well-being of individuals and society. Economic decision making involves setting goals and identifying the resources available to achieve those goals. Alternative ways to use the resources are investigated in terms of their advantages and disadvantages. Since most choices involve a little more of one thing and a little less of something else, economic decision making includes weighing the

additional benefit of an action against the additional cost. Investigating the incentives that motivate people is an essential part of analyzing economic decision making.

Indicators of Dimension 2—Economic Decision Making—are detailed in the suggested K-12 Pathway for College, Career, and Civic Readiness in Table 12.

**TABLE 12: Suggested K-12 Pathway for College, Career, and Civic Readiness
Dimension 2, Economic Decision Making**

BY THE END OF GRADE 2	BY THE END OF GRADE 5	BY THE END OF GRADE 8	BY THE END OF GRADE 12
INDIVIDUALLY AND WITH OTHERS, STUDENTS...			
D2.Eco.1.K-2. Explain how scarcity necessitates decision making.	D2.Eco.1.3-5. Compare the benefits and costs of individual choices.	D2.Eco.1.6-8. Explain how economic decisions affect the well-being of individuals, businesses, and society.	D2.Eco.1.9-12. Analyze how incentives influence choices that may result in policies with a range of costs and benefits for different groups.
D2.Eco.2.K-2. Identify the benefits and costs of making various personal decisions.	D2.Eco.2.3-5. Identify positive and negative incentives that influence the decisions people make.	D2.Eco.2.6-8. Evaluate alternative approaches or solutions to current economic issues in terms of benefits and costs for different groups and society as a whole.	D2.Eco.2.9-12.* Use marginal benefits and marginal costs to construct an argument for or against an approach or solution to an economic issue.

Exchange and Markets

People voluntarily exchange goods and services when both parties expect to gain as a result of the trade. Markets exist to facilitate the exchange of goods and services. When buyers and sellers interact in well-functioning, competitive markets, prices are determined that reflect the relative scarcity of the goods and services in the market. The principles of markets apply to markets for goods and services, labor, credit,

foreign exchange, and others. Comparison of benefits and costs helps identify the circumstances under which government action in markets is in the best interest of society and when it is not.

Indicators of Dimension 2—Exchange and Markets—are detailed in the suggested K-12 Pathway for College, Career, and Civic Readiness in Table 13.

**TABLE 13: Suggested K-12 Pathway for College, Career, and Civic Readiness
Dimension 2, Exchange and Markets**

BY THE END OF GRADE 2	BY THE END OF GRADE 5	BY THE END OF GRADE 8	BY THE END OF GRADE 12
INDIVIDUALLY AND WITH OTHERS, STUDENTS...			
D2.Eco.3.K-2. Describe the skills and knowledge required to produce certain goods and services.	D2.Eco.3.3-5. Identify examples of the variety of resources (human capital, physical capital, and natural resources) that are used to produce goods and services.	D2.Eco.3.6-8. Explain the roles of buyers and sellers in product, labor, and financial markets.	D2.Eco.3.9-12. Analyze the ways in which incentives influence what is produced and distributed in a market system.
D2.Eco.4.K-2. Describe the goods and services that people in the local community produce and those that are produced in other communities.	D2.Eco.4.3-5. Explain why individuals and businesses specialize and trade.	D2.Eco.4.6-8. Describe the role of competition in the determination of prices and wages in a market economy.	D2.Eco.4.9-12. Evaluate the extent to which competition among sellers and among buyers exists in specific markets.
D2.Eco.5.K-2. Identify prices of products in a local market.	D2.Eco.5.3-5. Explain the role of money in making exchange easier.	D2.Eco.5.6-8. Explain ways in which money facilitates exchange by reducing transactional costs.	D2.Eco.5.9-12. Describe the consequences of competition in specific markets.
D2.Eco.6.K-2. Explain how people earn income.	D2.Eco.6.3-5. Explain the relationship between investment in human capital, productivity, and future incomes.	D2.Eco.6.6-8. Explain how changes in supply and demand cause changes in prices and quantities of goods and services, labor, credit, and foreign currencies.	D2.Eco.6.9-12. Generate possible explanations for a government role in markets when market inefficiencies exist.
D2.Eco.7.K-2. Describe examples of costs of production.	D2.Eco.7.3-5. Explain how profits influence sellers in markets.	D2.Eco.7.6-8. Analyze the role of innovation and entrepreneurship in a market economy.	D2.Eco.7.9-12. Use benefits and costs to evaluate the effectiveness of government policies to improve market outcomes.
<i>Begins in grades 3-5</i>	D2.Eco.8.3-5. Identify examples of external benefits and costs.	D2.Eco.8.6-8. Explain how external benefits and costs influence market outcomes.	D2.Eco.8.9-12. Describe the possible consequences, both intended and unintended, of government policies to improve market outcomes.
D2.Eco.9.K-2. Describe the role of banks in an economy.	D2.Eco.9.3-5. Describe the role of other financial institutions in an economy.	D2.Eco.9.6-8. Describe the roles of institutions such as corporations, non-profits, and labor unions in a market economy.	D2.Eco.9.9-12. Describe the roles of institutions such as clearly defined property rights and the rule of law in a market economy.

The National Economy

Changes in the amounts and qualities of human capital, physical capital, and natural resources influence current and future economic conditions and standards of living. All markets working together influence economic growth and fluctuations in well-being. Monetary and fiscal policies are often designed and used in attempts to moderate fluctuations and encourage growth under a wide variety of circumstances. Policies changing the growth in the money supply and overall levels of spending in the economy are aimed

at reducing inflationary or deflationary pressures; increasing employment or decreasing unemployment levels; and increasing economic growth over time. Policies designed to achieve alternative goals often have unintended effects on levels of inflation, employment, and growth.

Indicators of Dimension 2—The National Economy—are detailed in the suggested K-12 Pathway for College, Career, and Civic Readiness in Table 14.

**TABLE 14: Suggested K-12 Pathway for College, Career, and Civic Readiness
Dimension 2, The National Economy**

BY THE END OF GRADE 2	BY THE END OF GRADE 5	BY THE END OF GRADE 8	BY THE END OF GRADE 12
INDIVIDUALLY AND WITH OTHERS, STUDENTS...			
D2.Eco.10.K-2. Explain why people save.	D2.Eco.10.3-5. Explain what interest rates are.	D2.Eco.10.6-8. Explain the influence of changes in interest rates on borrowing and investing.	D2.Eco.10.9-12. Use current data to explain the influence of changes in spending, production, and the money supply on various economic conditions.
<i>Begins in grades 3–5</i>	D2.Eco.11.3-5. Explain the meaning of inflation, deflation, and unemployment.	D2.Eco.11.6-8. Use appropriate data to evaluate the state of employment, unemployment, inflation, total production, income, and economic growth in the economy.	D2.Eco.11.9-12. Use economic indicators to analyze the current and future state of the economy.
D2.Eco.12.K-2. Describe examples of the goods and services that governments provide.	D2.Eco.12.3-5. Explain the ways in which the government pays for the goods and services it provides.	D2.Eco.12.6-8. Explain how inflation, deflation, and unemployment affect different groups.	D2.Eco.12.9-12. Evaluate the selection of monetary and fiscal policies in a variety of economic conditions.
D2.Eco.13.K-2. Describe examples of capital goods and human capital.	D2.Eco.13.3-5. Describe ways people can increase productivity by using improved capital goods and improving their human capital.	D2.Eco.13.6-8. Explain why standards of living increase as productivity improves.	D2.Eco.13.9-12. Explain why advancements in technology and investments in capital goods and human capital increase economic growth and standards of living.

The Global Economy

Economic globalization occurs with cross-border movement of goods, services, technology, information, and human, physical, and financial capital. Understanding why people specialize and trade, and how that leads to increased economic interdependence, are fundamental steps in understanding how the world economy functions. While trade provides significant benefits, it is not without costs. Comparing

those benefits and costs is essential in evaluating policies to influence trade among individuals and businesses in different countries.

Indicators of Dimension 2—The Global Economy—are detailed in the suggested K-12 Pathway for College, Career, and Civic Readiness in Table 15.

**TABLE 15: Suggested K-12 Pathway for College, Career, and Civic Readiness
Dimension 2, The Global Economy**

BY THE END OF GRADE 2	BY THE END OF GRADE 5	BY THE END OF GRADE 8	BY THE END OF GRADE 12
INDIVIDUALLY AND WITH OTHERS, STUDENTS...			
D2.Eco.14.K-2. Describe why people in one country trade goods and services with people in other countries.	D2.Eco.14.3-5. Explain how trade leads to increasing economic interdependence among nations.	D2.Eco.14.6-8. Explain barriers to trade and how those barriers influence trade among nations.	D2.Eco.14.9-12. Analyze the role of comparative advantage in international trade of goods and services.
D2.Eco.15.K-2. Describe products that are produced abroad and sold domestically and products that are produced domestically and sold abroad.	D2.Eco.15.3-5. Explain the effects of increasing economic interdependence on different groups within participating nations.	D2.Eco.15.6-8. Explain the benefits and the costs of trade policies to individuals, businesses, and society.	D2.Eco.15.9-12. Explain how current globalization trends and policies affect economic growth, labor markets, rights of citizens, the environment, and resource and income distribution in different nations.

Domain 3: Instruction

Teachers communicate with students for several independent, but related purposes. First they convey that teaching and learning are purposeful activities; they make that purpose clear to students. They also provide clear directions for classroom activities, so that students know what it is that they are to do. When teachers present concepts and information, those presentations are made with accuracy, clarity, and imagination. When expanding upon the topic is appropriate to the lesson, skilled teachers embellish their explanations with analogies or metaphors, linking them to students' interests and prior knowledge. Teachers occasionally withhold information from students (for example in an inquiry-based science lesson) to encourage them to think on their own, but what information they do convey is accurate and reflects deep understanding. The teacher's use of language is vivid, rich and error free, affording the opportunity for students to hear language well used and to extend their own vocabularies. Teacher presents complex concepts in ways that provide scaffolding and access to students.					
3A - Communicating with students	<ul style="list-style-type: none">Expectations for LearningDirections and ProceduresExplanation of ContentUse of Oral and Written Language	Ineffective	Developing	Accomplished	Exemplary
		<ul style="list-style-type: none">The instructional purpose of the lesson is unclear to students, and the directions and procedures are confusing.The teacher's explanation of the content contains major errors.The teacher's spoken or written language contains errors.The teacher's spoken or written language contains errors of grammar or syntaxThe teacher's vocabulary is inappropriate, vague, or used incorrectly, leaving students confused.	<ul style="list-style-type: none">The teacher's attempt to explain the instructional purpose has only limited success, and/or directions and procedures must be clarified after initial student confusion.The teacher's explanation of the content may contain minor errors; some portions are clear; other portions are difficult to follow.The teacher's explanation consists of a monologue, with no invitation to the students for intellectual engagement.Teacher's spoken language is correct; however, his or her vocabulary is limited, or not fully appropriate to the students' ages or backgrounds.	<ul style="list-style-type: none">The teacher clearly communicates instructional purpose of the lesson, including where it is situated within the broader learning, and explains procedures and directions clearly.Teacher's explanation of content is well scaffolded, clear and accurate, and connects with students' knowledge and experiences.During the explanation of content, the teacher invites student intellectual engagement.Teacher's spoken and written language is clear and correct and uses vocabulary appropriate to the students' ages and interests.	<ul style="list-style-type: none">The teacher links the instructional purpose of the lesson to the students' interests; the directions and procedures are clear and anticipate possible student misunderstanding.The teacher's explanation of content is thorough and clear, developing conceptual understanding through artful scaffolding and connecting with students' interest.Students contribute to extending the content and help explain concepts to their classmates.The teacher's spoken and written language is expressive, and the teacher finds opportunities to extend students' vocabularies.
Critical Attributes		<ul style="list-style-type: none">At no time during the lesson does the teacher convey to the student what they will be learning.Students indicate through their questions that they are confused about the learning task.The teacher makes a serious content error that will affect students' understanding of the lesson.Students indicate through body language or questions that they don't understand the content being presented.	<ul style="list-style-type: none">The teacher refers in passing to what the students will be learning, or has written it on the board with no elaboration or explanation.The teacher must clarify the learning task so that student can complete it.The teacher makes no serious content errors but may make a minor error.The teacher's explanation of the content consists of monologue or is purely procedural, with minimal participation by students.	<ul style="list-style-type: none">The teacher states clearly, at some point during the lesson, what the students will be learning.If the tactic is appropriate, the teacher models the process to be followed in the task.Students engage with the learning task, indicating that they understand what they are to do.The teacher makes no content errors.The teacher's explanation of content is clear and invites student participation and	<p>In addition to the characteristics of "accomplished":</p> <ul style="list-style-type: none">The teacher points out possible areas of misunderstanding.Teacher explains content clearly and imaginatively, using metaphors and analogies to bring content to life.All students seem to understand the presentation.The teacher invites student to explain the content to the class or to classmates.Teacher uses rich language, offering brief

	<ul style="list-style-type: none">Teacher's communications include errors of vocabulary or usage.The teacher's vocabulary is inappropriate to the age or culture of the students.	<ul style="list-style-type: none">Vocabulary and usage are correct but unimaginative.Vocabulary is too advanced or too juvenile for the students.	<p>thinking.</p> <p>instructing.</p> <p>Teacher's vocabulary and usage are correct and completely suited to the lesson.</p> <ul style="list-style-type: none">The teacher's vocabulary is appropriate to the students' ages and levels of development.	vocabulary lessons where appropriate.
Possible Examples	<ul style="list-style-type: none">A student asks, "What are we supposed to be doing? But the teacher ignores the question."The teacher states that to add fractions they must have the same numerator.Students have a quizzical look on their faces; some may withdraw from the lesson.Students become disruptive, or talk among themselves in an effort to follow the lesson.The teacher uses technical terms with an elementary class without explaining their meanings.The teacher tends to say "ain't."	<ul style="list-style-type: none">The teacher mispronounces some common words.The teacher says, "And oh, by the way, today we're going to factor polynomials."A student asks, "What are we supposed to be doing?" and the teacher clarifies the task.Students ask, "What do I write here?" in order to complete a task.Having asked students only to listen, the teacher says, "Watch me while I show you how to. . ."A number of students do not seem to be following the explanation.Students are inattentive during the teacher's explanation of content.	<ul style="list-style-type: none">The teacher says, "By the end of today's lesson, you're all going to be able to factor different types of polynomials."In the course of a presentation of content, the teacher asks students, "Can anyone think of an example of that?"The teacher uses a board or projection device so students can refer to it without requiring the teacher's attention.	<ul style="list-style-type: none">The teacher says, "Here's a spot where some students have difficulty . . . be sure to read it carefully."The teacher asks a student to explain the task to other students.When help is needed a student offers clarification about the learning task to classmates.The teacher explains passive solar energy by inviting student to think about the temperature in a closed car on a cold but sunny day or by the water in a hose that has been sitting in the sun.The teacher says, "Who would like to explain this idea to us?"The teacher pauses during an explanation of civil rights movement to remind students that the prefix "in" as in "inequality," means "not" and the prefix "un" means the same thing.