



Business Economics

Course Description

Business Economics is a course designed to help students understand economic principles as applied to current events and issues. Emphasis includes allocation of resources, economic systems, economic institutions and incentives, markets and prices, market structures, productivity, role of government, global economic concepts, and economic indicators.

Course Code: 031800

Program(s) of Study to which this course applies

- Finance

Course Content	Crosswalk to Common Core Academic Standards	Crosswalk to Nebraska Academic Standards	Crosswalk to Nebraska Career Readiness Standards	Crosswalk Clarification
Standard 1. Students will assess opportunity costs and trade-offs involved in making choices about how to use scarce economic resources.				
Benchmark 1.1 Demonstrate understanding of rational economic decision-making by explaining the advantages and disadvantages of alternatives in a given situation. <u>Sample performance indicators:</u> • Explain the advantages and disadvantages of a high school student’s decision to work during the school year. • Debate the allocation of funding between athletics and other school activities.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1 CR.4.B.2 CR.5.A.1 CR.5.A.3	When students <i>explain</i> information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students’ written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12 2.1.b, LA.12.3.1.a).

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Benchmark 1.2 Explain the concept of marginalism as it applies to producers and consumers. <u>Sample performance indicators:</u> - Explain the concepts of marginal benefits and costs as they relate to pollution. - Illustrate marginalism through a production possibilities curve.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b MTH.F.IF.4	LA.12.2.1.b LA.12.3.1.a MA.12.3.2.a	CR.2.B.1 CR.2.C.1	When students explain information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students’ written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12.2.1.b, LA.12.3.1.a). Alignment presumes that students will use a production possibilities curve when explaining the concept of marginalism, and interpret key features of that graph (CC:MTH.F.IF.4; NE:MA.12.3.2.a)
Benchmark 1.3 Evaluate the tradeoffs of alternatives for solving societal problems according to economic goals (e.g., economic growth, equity, efficiency, security, employment, stability, freedom). <u>Sample performance indicators:</u> - Engage students in a role play of a city council meeting called to allocate a budget of \$100,000. Explain choices, allocations, opportunity costs, and tradeoffs. - Rank personal economic goals listed in the benchmark and compare them by tallying collectively. - Debate plans for your family farm land to choose between using for farming, conservation, or development.	N/A	MA.12.1.3.d	CR.4.B.2 CR.5.A.3 CR.5.B.2	Alignment presumes that students will evaluate the tradeoffs for alternatives for solving societal problems using quantitative methods, and select, apply, and explain their methods of computation (NE: MA.12.1.3.d).
Standard 2. Students will explain why societies develop economic systems, identify the basic features of different economic systems, and analyze the major features of the U.S. economic system.				

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Benchmark 2.1 Critique command, mixed, and market economies based on the U.S. economic goals. <u>Sample performance indicators:</u> - Assess effectiveness of various methods of allocating education resources, health care, military services, and organ transplants. - Classify some resources in the U.S. that are allocated in a manner other than via market allocation.	N/A	SS.12.2.5.a	CR.4.B.2 CR.5.A.1 CR.5.A.3	
Benchmark 2.2 Illustrate the relationship between individual households, businesses, and government (i.e., circular flow) in making production and distribution decisions. <u>Sample performance indicators:</u> - Diagram your paycheck through the circular flow of goods and services. - Diagram the flow of income taxes through the expanded circular flow.	N/A	SS.12.2.2.e SS.12.2.10.b	CR.5.A.4	
Benchmark 2.3 Explain the role of the entrepreneur as a driving force in the U.S. economy. <u>Sample performance indicators:</u> - Read and summarize short biographies of entrepreneurs and identify risks and incentives. - Discuss the origins of new products and job creation and its effect on the local and global economy. (Invite a speaker from your local Chamber of Commerce or the Department of Economic Development). - Trace the origins of several products and their entrepreneurial startups, such as Cabela's.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a	CR.2.B.1 CR.2.C.1	When students <i>explain</i> information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students' written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12 2.1.b, LA.12.3.1.a).
Benchmark 2.4 Analyze how wages and prices are determined in command and market economies.	N/A	SS.12.2.1.e SS.12.2.2.d	CR.5.A.1 CR.5.A.4	

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<u>Sample performance indicators:</u> - Compare and contrast the ownership of public utilities in various economic systems. - Analyze incentives for entrepreneurs in various economic systems.				
Benchmark 2.5 Students examine the role of trade, protectionism, and monetary markets in the global economy. <u>Sample performance indicators:</u> - Identify Nebraska's global trading partners, both imports and exports. Include a discussion on the role of the North American Free Trade Agreement. - Demonstrate entrepreneurial skills by Identifying new potential products and markets. - Compile a list of articles in the room and their originating countries. Engage in a discussion on why and how consumers benefit because of trade. - Debate the rationale for trade protection versus free trade.	N/A	SS.12.2.3.c SS.12.2.12.a–c	CR.8.C.2	
Standard 3. Students will analyze the role of core economic institutions and incentives in the U.S. economy.				
Benchmark 3.1 Describe different kinds of economic institutions in the U.S. economy (e.g., households, businesses, financial institutions, government agencies, labor unions, nonprofit organizations). <u>Sample performance indicators:</u> - Give examples of incentives and disincentives in the U.S. economy. - Analyze recent developments in state budget decisions affecting labor unions.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12.2.1.b LA.12.3.1.a SS.12.2.3.a	CR.2.B.1 CR.2.C.1	When students <i>describe</i> information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students' written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12.2.1.b, LA.12.3.1.a).

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Benchmark 3.2 Identify the roles of profit and competition in a market-oriented economy. <u>Sample performance indicators:</u> - Participate in a class market activity and describe the role of profit and competition in coordinating producer and consumer decisions. - Give examples of competitive businesses and how this benefits your community.	N/A	SS.12.2.1.f SS.12.2.2.d	N/A	
Benchmark 3.3 Explain the importance of property rights in a market economy. <u>Sample performance indicators:</u> Predict what would happen if there was no legal way to settle boundary disputes. View clips from movies and music and discuss property rights (e.g., <i>The Social Network</i> and Facebook, Metallica and Napster).	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a SS.12.2.4.a	CR.2.B.1 CR.2.C.1 CR.3.B.4	When students <i>explain</i> information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students’ written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12 2.1.b, LA.12.3.1.a).
Standard 4. Students will analyze the role of markets and prices in the U.S. economy.				
Benchmark 4.1 Describe how relative prices affect the buying and selling decisions of consumers and producers and how relative prices ration limited resources, goods, and services in the U.S. economy. <u>Sample performance indicators:</u> - Explain the role of weather in the prices of produce. - Predict the change in consumer behavior when the price of fresh orange juice increases.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a SS.12.2.2.e	CR.2.B.1 CR.2.C.1 CR.5.A.4	When students <i>describe</i> information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students’ written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12 2.1.b, LA.12.3.1.a).

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Benchmark 4.2 Explain the law of demand, law of supply, and equilibrium price. <u>Sample performance indicators:</u> - Predict the changes in demand for a particular pair of jeans when an extensive ad campaign targets teenagers and student's allowance doubles. - Construct and label a supply and demand curve identifying equilibrium price.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b MTH.F.IF.4	LA.12.2.1.b LA.12.3.1.a MA.12.3.1.a SS.12.2.2.a–c	CR.2.B.1 CR.2.C.1 CR.5.A.4	When students explain information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students' written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12.2.1.b, LA.12.3.1.a). Alignment presumes that students interpret functions and graphs when developing an explanation of the economic theories (CC: MTH.F.IF.4; NE: MA.12.3.1.a).
Benchmark 4.3 Demonstrate an understanding of supply and demand curve movement based on the determinants distinguishing between quantity supplied and quantity demanded. <u>Sample performance indicators:</u> - Create a supply schedule of your labor (i.e., hours spent babysitting). - Construct and diagram the change in supply when the price of steel increases.	MTH. F.IF.4	MA.12.3.1.a SS 12.2.2.a–b	CR.5.A.1	Alignment presumes that students interpret functions and graphs when demonstrating an understanding of supply and demand curve movement (CC: MTH.F.IF.4; NE: MA.12.3.1.a).

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Benchmark 4.4 Explain and illustrate how a market reacts to shortages and surpluses with and without government intervention. <u>Sample performance indicators:</u> - Explain how a decrease in the price of movie rentals affects quantity demanded. - Describe and illustrate what is likely to happen if the government imposes a price ceiling on gasoline and a price floor on milk. - Analyze competing viewpoints about the impact of an increase in the minimum wage.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b MTH. F.IF.4	LA.12.2.1.b LA.12.3.1.a MA.12.3.1.a SS.12.2.1.d SS.12.2.10.b	CR.2.B.1 CR.2.C.1 CR.5.A.4	When students explain information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students’ written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12 2.1.b, LA.12.3.1.a). Alignment presumes students will interpret key features of the curve representing how the market reacts to shortages and surpluses (CC: MTH.F.IF.4; NE: MA.12.3.1.a).
Standard 5. Students will explain the importance of productivity and analyze how specialization, investment in physical and human capital, and technological change affect productivity and global trade.				
Benchmark 5.1 Discuss the relationships between specialization, productivity, interdependence, and trade. <u>Sample performance indicators:</u> - Compare the extent of specialization and interdependence of an American farm in the 19th century and the 21st century. - Participate in a voluntary trade simulation. - Explain how free trade in the automobile industry makes consumers better off while some auto workers lose their jobs.	ELA.SL.11–12.SL.1	LA.12.3.3 SS.12.2.1.c SS.12.2.12.a SS.12.3.2.d	CR.2.A.2–4 CR.5.A.4	

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Benchmark 5.2 Describe how investment in technology can increase productivity. <u>Sample performance indicators:</u> Justify why a business might invest in technology rather than labor. Compile examples of how technology has increased productivity.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a SS.12.2.1.c	CR.2.B.1 CR.2.C.1 CR.5.A.4 CR.9.B.3	When students <i>describe</i> information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students' written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12 2.1.b, LA.12.3.1.a).
Standard 6. Students will analyze the role of government in economic systems, especially the role of government in the U.S. economy.				
Benchmark 6.1 Explain the role of government taxation and its effect on consumers and producers. <u>Sample performance indicators:</u> - Simulate a city council meeting debating whether to increase the local sales tax. - Prepare questions before inviting a local government official to your classroom.	ELA.SL.11–12.4 ELA.WHST.11–12.2.b	LA.12 2.1.b LA.12.3.1.a SS.12.2.10.c	CR.2.B.1 CR.2.C.1 CR.5.A.4	When students <i>explain</i> information or ideas, they communicate their knowledge through either speaking or writing. To demonstrate full knowledge on the topic, students' written or oral presentations must include all the main ideas and relevant details on the subject (CC: ELA.WHST.11–12.2.b, ELA.SL.11–12.4; NE: CR.2.B.1, CR.2.C.1, LA.12 2.1.b, LA.12.3.1.a).
Benchmark 6.2 Identify monetary policies (e.g., discount rate, federal funds rate, open market operations) used by the Federal Reserve to regulate the economy. <u>Sample performance indicators:</u> - Find a newspaper article discussing current Federal Reserve action and write a summary and reflect on how the action will affect you. - Discuss the structure of the Federal Reserve system including its creation and duties.	ELA.RST.11-12.4	LA.12.1.5 SS.12.2.3.d	CR.3.B.4	
Benchmark 6.3 Identify fiscal policies (taxing and spending) used by the federal government to regulate the economy. <u>Sample performance indicators:</u> Use data from the U.S. federal budget to construct two pie charts, one	ELA.RST.11-12.4	LA.12.1.5 SS.12.2.11.a	N/A	



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representing major categories of federal revenue and the other representing federal expenditures. List examples of monetary policy action (Fed) versus fiscal policy actions (Congress) emphasizing differences.				
Standard 7. Students will analyze how the U.S. economy functions as a whole as measured by economic indicators.				
Benchmark 7.1 Discuss the rates, causes, and types of unemployment. <u>Sample performance indicators:</u> - Research Nebraska’s unemployment rate versus the national unemployment over the last five years. Explore possible reasons for the difference. - Research and graph trends in the U.S. unemployment rate.	ELA.SL.11–12.SL.1	LA.12.3.3 SS.12.2.11.c	CR.2.A.2–4 CR.5.A.4	
Benchmark 7.2 Interpret Consumer Price Index in relation to purchasing power. <u>Sample performance indicators:</u> - Compare the prices of a market basket of goods in a previous year with current prices illustrating the difference between nominal and real prices. - Predict changes in your budget as prices rise (inflation).	N/A	N/A	N/A	
Benchmark 7.3 Identify the components of Gross Domestic Product. <u>Sample performance indicators:</u> - Manipulate the components of GDP illustrating the resulting effect on GDP. Example: government spends \$1billion on space program. - Find the GDP per capita of several countries and compare to the U.S.	ELA.RST.11-12.7	LA.12.1.6.f SS.12.2.3.b	N/A	



Reference Standards Sources

- KS = Career Clusters Knowledge and Skills Statements. Revised 2008. National Career and Technical Education Foundation, Silver Spring, MD. www.careerclusters.org
- NBEA = National Business Education Standards
- VCSinEcon = Voluntary National Content Standards in Economics, 2010

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Other Information

Suggestions for innovative teaching and learning strategies:	• Ecedweb.unomaha.edu • EconEdReviews.edu • EconEdLink.org • FederalReserveEducation.org • www.nebraskacouncil.org • Virtual Economics • http://store.councilforeconed.org/ • <i>Focus: High School Economics</i> • Junior Achievement • Jump \$tart
Related assessments:	• Nationally normed tests in economics: Test of economic literacy high school level (TEL), Test of economic knowledge middle school level (TEK)
Extended learning opportunities:	• Economics Challenge ONLINE! • USdebtclock.org • IOUSA DVD (video on U.S. debt) • John Stossel in the Classroom • FBLA competitive events • DECA competitive events