

District Overview:

The overarching goal of the business department is to prepare students for the many places of their personal and professional lives. A basic understanding of the language of business and technology can drastically improve understandings and decision making for life choices. In the curriculum, students will not only be exposed to basic business concepts, but also the skills of presentation, critical thinking, teamwork, creativity, and other skills in high demand. The department will provide a myriad of experiential learning through interactions with experts in the field, location visits, simulations, industry certifications, and real-world problems taken from the business community. By infusing our curriculum with these real-world experiences, we can provide meaningful learning experiences that allow students to take ownership in their learning.

Business Economics II Description:

Business Economics II introduces students to macroeconomics, the study of the economy as a whole. As students study macroeconomics, they learn why and how the world economy can change from month to month, how to identify trends in our economy, and how to use those trends to develop predictors of economic growth or decline. In addition to this, they will also examine how individuals, institutions, and influences affect people, and how those factors can impact everyone's life through employment rates, government spending, inflation, taxes, and trade. When combined with Business Economics I, this course is eligible for RACC dual enrollment credit.

Units:

- Unit 1: Measuring the Economy's Performance
- Unit 2: Money, Banking, and the Federal Reserve System
- Unit 3: Government and the Economy
- Unit 4: Trading with Other Nations



Subject: Business Economics II

Grade: 11-12

Suggested Timeline: 4 Weeks

Unit Title: Measuring the Economy's Performance

Unit Overview/Essential Understanding:

In our market economy, economic growth significantly affects our daily lives. Economists look at a variety of factors to assess this growth and performance of a nation's economy. This unit will explore the array of tools that economists use to evaluate the performance of the American economy. Areas that will be covered include GDP, the consumer price index, inflation, business cycles and other economic indicators. This unit will help students to understand how economic mechanisms work to measure our collective economic and social well-being to help them make better economic decisions now and in the future.

Essential Questions:

- How do we determine the economic and social well-being of the United States?
- What are the causes and consequences of instability in the economy?
- How does the purchasing power of money change?
- How is inflation measured?
- How are business cycles and economic growth related?

Unit Objectives:

Students will be able to:

- Discuss what the GDP and other economic indicators tell us about the economy
- Discuss the distribution of income in the United States
- Explain why ups and downs in the business cycle are considered normal
- Discuss inflation and the unemployment rate and understand information they provide

Focus Standards Addressed in this Unit:

- NBEA - Economics - Aggregate Supply and Aggregate Demand A - Analyze how the US economy functions as a whole and describe selected macroeconomic measures of economic activity
- 15.6.12.B - Analyze financial decisions for major purchasing events occurring at different stages in life, systematically considering alternatives and consequences
- 15.7.12.A - Assess the impact of political and economic changes on global business

- 15.7.12.E - Examine the legal requirements (foreign and domestic) of operating a business.
- 15.7.12.J - Compare and contrast various nonverbal behaviors and their impact on business in a global environment

Important Standards Addressed in this Unit:

- 15.6.12. A - Evaluate the impact of internal and external influences on financial decisions
- 15.6.12. F - Evaluate criteria for personal spending in relation to the economic climate
- NBEA - Economics - Global Economic Concepts A - Examine the role of trade, protectionism, and monetary markets in the global economy

Misconceptions:

- The gross domestic product (GDP) is based on current prices
- Economic instability affects only the workforce and unemployment rates

Concepts/Content:

- National Income Accounting
- Gross Domestic Product
- Net Domestic Product
- Measurements of Income
 - National Income
 - Personal Income
 - Disposable Personal Income
- Correcting Statistics for Inflation
- Purchasing Power of Money
- Measures of Inflation
 - Consumer Price Index
 - Producer Price Index
 - GDP Price Deflator
- Aggregate Demand and Supply
- Business Fluctuations
- Model of the Business Cycle
- Ups and Downs of Business

Competencies/Skills:

- Understand measuring GDP, Value, Final Goods & Services
- Compute Gross Domestic Product (GDP)
- Compute Net Domestic Product (NDP)
- Evaluate Measurements of Income
- Analyze the purchasing power of money
- Define the measures of inflation
- Evaluate CPI, PPI and GDP Price Deflators
- Chart aggregate demand and supply
- Plot price level versus total output
- Interpret the business cycle
- Evaluate the causes of business fluctuations
- Analyze the major economic indicators

Description of Activities:

- Teacher guided instruction such as measurements of income, measurements of inflation, etc.
- Exercises and activities from textbook that could include “Hands-On Chapter Projects”, “Study Guides”, etc.
- Exercises and activities created by the instructor such as “What is GDP? “Inflation Indicators”, etc.
- Class discussions relating to questions such as “Ups and Downs of Business Cycles “GDP vs NDP”, etc.



<ul style="list-style-type: none">• Causes and Indicators of Business Fluctuations• Economic Indicators		
<p>Assessments:</p> <ul style="list-style-type: none">• Formative and summative assessments to assess understanding• Assessments may include quizzes, practical tests and assignments		
<p>Interdisciplinary Connections:</p> <ul style="list-style-type: none">• Foundational knowledge of economics can be useful in other business classes as well as outside of the classroom	<p>Additional Resources:</p> <ul style="list-style-type: none">• District approved textbook and materials• Teacher created resources• Online Resources	



Subject: Business Economics II

Grade: 11-12

Suggested Timeline: 5 Weeks

Unit Title: Money, Banking, and The Federal Reserve

Unit Overview/Essential Understanding:

Money is the driving force behind our market economy and this unit will show students not only how it has led us to this point, but how has our economic past evolved to meet our present and future monetary needs. This unit is designed to describe the functions of money in our economy and help to examine what roles students play in the market and financial systems, and ultimately further their understand of how money contributes to economic growth.

The monetary policy of the United States has an impact on the lives of everyone in the U.S. as well as others around the globe. The Federal Reserve System is responsible for establishing this policy which affects our money and the lending practices of banks. This unit will help student understand how the actions of the Federal Reserve System and our government influence the nation's money supply and can help students understand the role of money in their life and in the global economy.

Essential Questions:

- How has money evolved to meet the needs of people everywhere?
- How did the creation of the Fed improve our banking system?
- How has technology affected the way we use money today?
- Who oversees the U.S. money supply and how do they decide how much currency to put into circulation?
- How has the economy influenced monetary policy in the United States?
- Who is the chairman of the Federal Reserve?

Unit Objectives:

Students will be able to:

- Summarize the development of money in the United States
- Explain why the National Banking System was created
- Compare the available types of financial assets
- Understand that governments are formed to maintain order and regulate activities in a geographic area

Focus Standards Addressed in this Unit:

- 15.6.12.I - Analyze the functions of the Federal Reserve and other financial institutions
- NBEA - Economics - The Role of Government A - Analyze the role of government in economic systems, especially the role of government in the US economy

Important Standards Addressed in this Unit:

- 15.6.12. A - Evaluate the impact of internal and external influences on financial decisions
- NBEA - Economics - Allocation of Resources A - Assess opportunity costs and trade-offs involved in making choices
- NBEA - Economics - Economic Systems A - Explain why societies develop economic systems
- NBEA - Economics - Economic Institutions A - Analyze the role of core economic institutions

Misconceptions:

- Money in United States has always been backed by the federal government
- When money is deposited in a bank, the bank keeps the money or deposits it at the Fed
- The Federal Reserve System is an agency of the federal government

Concepts/Content:

- The Functions and Characteristics of Money
 - Medium of Exchange
 - Unit of Accounting
 - Store of Value
- History of American Money and Banking
- Banking Services
 - Electronic Banking
 - EFT Concerns
- Types of Money in the United States
 - Currency
 - Checks

Competencies/Skills:

- Understand the functions of money
- Evaluate the characteristics of money
- Analyze the different types of money
- Chart the history of American banking
- Examine banking services
- Define money and near moneys
- Examine the money supply
- Understand the organization of the Federal Reserve System

Description of Activities:

- Teacher guided instruction such as functions and characteristics of money, Federal Reserve, etc.
- Exercises and activities from textbook that could include “Hands-On Chapter Project”, “Study Guides”, etc.
- Exercises and activities created by the instructor such as “History of US Banking System?”, “Money, Money”, etc.
- Class discussions relating to questions such as “Banking Services “Organization and Functions of the Fed”, etc.

<ul style="list-style-type: none"> ○ Credit Cards ○ Debit Cards ○ Near Moneys ● Money Supply ● Organization of the Federal Reserve System ● Functions of the Federal Reserve ● Loose Money Policies ● Tight Money Policies ● Fractional Reserve Banking ● Regulating the Money Supply ● Changing Reserve Requirements ● Changing the Discount Rate ● Open Market Operations ● Criticisms of Fed Policies 	<ul style="list-style-type: none"> ● Define the functions of the Federal Reserve ● Evaluate loose and tight money policies ● Understand fractional reserve banking ● Determine the cause and effect of changing reserve requirements ● Predict consequences of changing the discount rate ● Examine open-market operations 	
<p>Assessments:</p> <ul style="list-style-type: none"> ● Formative and summative assessments to assess understanding ● Assessments may include quizzes, practical tests and assignments 		
<p>Interdisciplinary Connections:</p> <ul style="list-style-type: none"> ● Foundational knowledge of economics can be useful in other business classes as well as outside of the classroom 	<p>Additional Resources:</p> <ul style="list-style-type: none"> ● District approved textbook and materials ● Teacher created resources ● Online Resources 	



Subject: Business Economics II

Grade: 11-12

Suggested Timeline: 5 Weeks

Unit Title: Government and the Economy

Unit Overview/Essential Understanding:

In this unit, students learn about the relationship between the government and the economy. Starting with the basics of the market economy, students learn about government regulations on our market economy, where the government gets its money and what the government spends it on, and how banks and lending influence our economic system. The national debt, unemployment, inflation are topics that will not only affect students today, but today's knowledge can help them shape a better tomorrow. Each lesson is a basic overview of a very broad topic and includes activities designed to show students how these topics impact their own lives.

Essential Questions:

- What is the difference between social-insurance and public-assistance programs?
- How does scarcity affect the federal budget process?
- How does the federal government acquire funds to cover a deficit?
- What is the difference between regressive, progressive and proportional taxes?
- How are unemployment and inflation connected?
- Why is it important to maintain a low unemployment rate?
- What is the federal government's role in the circular flow of income and output?
- How are monetary policy and fiscal policy different?

Unit Objectives:

Students will be able to:

- Explain the process of determining an annual federal budget
- List major federal expenditures
- Discuss the effect of a federal deficit on the national debt
- Describe the difficulties involved with reducing the national debt
- Describe the three general criteria for effective taxes
- List the causes of inflation
- Discuss the unemployment rate and the information it provides

Focus Standards Addressed in this Unit:

- NBEA - Economics - The Role of the Government A - Analyze the role of government in economic systems
- 15.5.12.K - Analyze issues and cases associated with government regulation

Important Standards Addressed in this Unit:

- 15.6.12. A - Evaluate the impact of internal and external influences on financial decisions
- 15.6.12.E - Assess the purpose, source, and impact of various taxes
- 15.6.12.S. Analyze the role of government in investment planning and retirement planning
- 15.1.12.Y - Determine and calculate taxable income and tax liability for both personal and business taxes
- NBEA - Economics - Economic Institutions and Incentives A - Analyze the role of core economic institutions and incentives in the US economy

Misconceptions:

- The country may go bankrupt if the national debt becomes too high
- The federal government can solve most economic problems by adjusting the level of government-sector spending
- The unemployment rate exaggerates the problem of unemployment

Concepts/Content:

- Growth in the Size of Government
- Functions of Government
- Public Goods
- Social-Insurance Programs
- Public-Assistance Programs
- Regulation and Economic Stability
- Federal Budget and National Debt
- The Budget-Making Process
- Principles of Taxation
- Forms of Taxation
 - Proportional Tax
 - Progressive Tax

Competencies/Skills:

- Explain government growth
- Understand the functions of government
- Evaluate important public goods
- Contrast between social-insurance and public-assistance programs
- Summarize three criticisms of government involvement in the economy
- Examine the budget-making process

Description of Activities:

- Teacher guided instruction such as Forms of Taxation, Circular flow of Income and Output, etc.
- Exercises and activities from textbook that could include “Economic Simulation”, “Study Guides”, etc.
- Exercises and activities created by the instructor such as “Deficit Meter”, “Demand-Pull vs. Cost-Push”, etc.
- Class discussions relating to questions such as “Growth in the Size of Government”, “Unemployment and Inflation”, etc.

<ul style="list-style-type: none"> ○ Regressive Tax ● Unemployment and Inflation ● Measuring Unemployment ● Demand-Pull Inflation ● Cost-Push Inflation ● Fiscal Policy Approach to Stabilization ● Circular Flow of Income and Output ● Fiscal Policy and Supply-Side Effects ● Monetarism and the Economy ● The Theory of Monetarism ● Government Policy According to Monetarists ● Monetary Rule ● Monetarists' Criticism of Fiscal Policy 	<ul style="list-style-type: none"> ● Analyze the national debt ● Identify how the federal government acquires funds to cover a deficit ● Analyze principles of taxation ● Explain forms of taxation ● Analyze and measure unemployment ● Predict consequences of inflation ● Evaluate the circular flow of income and output ● Identify fiscal policy and supply-side effects ● Understand the theory of monetarism ● Determine government policy according to monetarists ● Examine monetarists' criticism of fiscal policy 	
<p>Assessments:</p> <ul style="list-style-type: none"> ● Formative and summative assessments to assess understanding ● Assessments may include quizzes, practical tests and assignments 		
<p>Interdisciplinary Connections:</p> <ul style="list-style-type: none"> ● Foundational knowledge of economics can be useful in other business classes as well as outside of the classroom 	<p>Additional Resources:</p> <ul style="list-style-type: none"> ● District approved textbook and materials ● Teacher created resources ● Online Resources 	

Subject: Business Economics II

Grade: 11-12

Suggested Timeline: 4 Weeks

Unit Title: Trading with Other Nations

Unit Overview/Essential Understanding:

The global economy is at the heart of our modern economic system. The entire globe is connected through people, resources, products, and via the Internet at the intersection of international trade. This unit will help students to understand that what is purchased and sold today has a global stage and understanding this dynamic will put them on the right track to thinking about economic prosperity and the challenges we face around the world.

Essential Questions:

- How does trade benefit all participating parties?
- Why is the economic health of all nations important in a global economy?
- What is the difference between a positive and negative balance of trade?
- How does free trade help or hurt countries?

Unit Objectives:

Students will be able to:

- Compare the concepts of absolute advantage and comparative advantage
- Describe the restrictions governments place on international trade
- Evaluate the advantages and disadvantages of trade agreements
- Analyze the national and international effects of the strength of the dollar

Focus Standards Addressed in this Unit:

- 15.7.12.A - Assess the impact of political and economic changes on global business
- 15.7.12.H - Analyze the effect of efficiencies in natural and human resources as it relates to global business relationships
- 15.7.12.I - Identify and examine effective global business communications strategies
- 15.7.12.J - Compare and contrast various nonverbal behaviors and their impact on business in a global environment
- 15.7.12.K - Analyze how economic and environmental factors may conflict; explain how responsible behavior can help sustain natural and human communities at local, regional, national, and global levels

- NBEA - Economics - Global Economic Concepts A - Examine the role of trade, protectionism, and monetary markets in the global economy

Important Standards Addressed in this Unit:

- 15.7.12.G - Analyze global businesses and the impact on the countries where they operate
- NBEA.VIII.3-4.G - Appraise free trade agreements between and among nations
- NBEA - Economics - Markets and Prices A - Analyze the role of markets and prices in the US economy
- NBEA - Economics - Market Structures A - Analyze the different types of market structures and the effect they have on the price and quality of goods and services

Misconceptions:

- The main reason for tariffs on foreign goods is to protect domestic industries
- A strong dollar is preferable to a weak dollar on the international market

Concepts/Content:

- The Benefits of World Trade
- Absolute Advantage
- Comparative Advantage
- Financing World Trade
- Fixed Exchange Rates
- Flexible Exchange Rates
- Balance of Trade
- Ways to Restrict Imports
 - Tariffs
 - Quotas
 - Embargos
 - Arguments for and Against Free Trade
- International Trade Agreements
- World Trade Organization
- Regional Trade Agreements

Competencies/Skills:

- Identify the benefits of trade
- Explain absolute and comparative advantages
- Examine fixed exchange rates
- Analyze flexible exchange rates
- Explain the difference between a positive and a negative balance of trade
- Understand ways to restrict imports
- Examine international trade agreements

Description of Activities:

- Teacher guided instruction such as factors of production, invisible hand, etc.
- Exercises and activities from textbook that could include “Identifying Wants”, “Study Guides”, etc.
- Exercises and activities created by the instructor such as “Who is Adam Smith?”, “Economic Systems”, etc.
- Class discussions relating to questions such as “What is the Invisible Hand?”, “Creating a Production Possibility Curve”, etc.



<ul style="list-style-type: none">• Restrictions on World Trade		
Assessments: <ul style="list-style-type: none">• Formative and summative assessments to assess understanding• Assessments may include quizzes, practical tests and assignments		
Interdisciplinary Connections: <ul style="list-style-type: none">• Foundational knowledge of economics can be useful in other business classes as well as outside of the classroom	Additional Resources: <ul style="list-style-type: none">• District approved textbook and materials• Teacher created resources• Online Resources	