Autauga County Schools
Pacing Guides
Economics

Economics
1st Nine Weeks (42 days)

What is Economics? (14 Days)
ACOS 12-1 What is Economics?
Explain why productive resources are limited and why individuals, businesses, and governments have to make choices in order to meet needs and wants.

ACOS 12-1

- Explaining scarcity as a basic condition that exists when unlimited wants exceed limited productive resources
- Explaining land (an example of a natural resource), labor (an example of a human resource), capital (an example of a physical or human resource), and entrepreneurship to be the factors of production
- Explaining opportunity cost as the next best alternative to relinquish when individuals, businesses, and governments confront scarcity by making choices

ACOS 12-2 Economic Systems and Decision Making
Explain how rational decision making entails comparing additional costs of alternatives to additional benefits.

ACOS 12-2

- Illustrating on a production-possibilities curve how rational decision making involves trade-offs between two options
- Explaining rational decision making as the comparison between marginal benefits and marginal costs of an action

Economic Goals and Decision Making (13 Days)

ACOS 12-3 Business Organizations
Describe different economic systems used to allocate scarce goods and services.

ACOS 12-3
- Illustrating on a production-possibilities curve how rational decision making involves trade-offs between two options
- Explaining rational decision making as the comparison between marginal benefits and marginal costs of an action

ACOS 12-4 The role of Government in Economics
Describe the role of government in a market economy, including promoting and securing competition, protecting private property rights, promoting equity, providing public goods and services, resolving externalities and other market failures, and stabilizing growth in the economy.

COS 12-4
- Explaining how government regulation and deregulation policies affect consumers and producers

ACOS 12-5 Inputs and Outputs and Productivity
Explain that a country's standard of living depends upon its ability to produce goods and services.

ACOS 12-5
- Explaining productivity as the amount of outputs, or goods and services, produced from inputs, or factors of production
- Describing how investments in factories, equipment, education, new technology, training, and health improve economic growth and living standards

Microeconomics (13 Days)

ACOS 12-6 Specialization and Voluntary Exchange
Describe how specialization and voluntary exchange between buyers and sellers lead to mutually beneficial outcomes.

ACOS 12-6
- Illustrating on a circular-flow diagram the product market; the factor market; the real flow of goods and services between and among businesses, households, and government; and the flow of money
- Constructing examples of specialization and exchange
- Illustrating on a table and graph the law of supply and demand

- Describing the role of buyers and sellers in determining market clearing price
- Illustrating on a table and graph how supply and demand determine equilibrium price and quantity
- Illustrating on a graph of supply and demand how price movements eliminate shortages and surpluses
- Illustrating on a graph how different factors cause changes in a market supply and demand

Explaining how prices serve as incentives in a market economy

Economics
2nd Nine Weeks (45 days)

Business and Labor (12 Days)

ACOS 12-7 Business Organization
Describe the organization and role of business.

ACOS 12-7

- Comparing types of business firms, including sole proprietorships, partnerships, and corporations
- Explaining the role of profit as an incentive, including short-term versus long-run decisions, for all firms
- Describing basic characteristics of pure competition, monopoly, monopolistic competition, and oligopoly
- Explaining ways firms finance operations, including retained earnings, stocks, and debt, and the advantages and disadvantages of each
- Explaining ways firms engage in price and non-price competition
- Recognizing the role of economic institutions, including labor unions and nonprofit organizations, in market economies

ACOS 12-8 Explain the impact of the labor market on the United States' economy.

• Identifying regional characteristics of the labor force of the United States, including gender, race, socioeconomic background, education, age, and regional specialization
• Explaining how supply of and demand for labor affect wages
• Describing characteristics that are most likely to increase wage and nonwage benefits, including skill, productivity, education, occupation, and mobility
• Explaining how unemployment and inflation impose costs on individuals and nations
• Determining the relationship of Alabama and the United States to the global economy regarding current technological innovations and industries (Alabama)
Examples: World Wide Web, peanut industry, telecommunications industry, aerospace industry

• Tracing the history of labor unions and methods of contract negotiation by labor and management (Alabama)

The Business Cycle (7 Days)
ACOS 12-9
Describe methods used to measure overall economic activity, including the Gross Domestic Product (GDP), the Consumer Price Index (CPI), inflation, and unemployment.

- Explaining how overall levels of income, employment, and prices are determined by spending decisions of households, businesses, and government; net exports in the short run; and production decisions of firms and technology in the long run
- Identifying structural, cyclical, and frictional unemployment
- Describing stages of the business cycle and how employment and inflation change during those stages

Monetary and Fiscal Policy (11 Days)

ACOS 12-10 The Federal Reserve
Explain the structure, role, and functions of the United States Federal Reserve System.

ACOS 12-10
- Describing how the United States Federal Reserve System oversees the banking system and regulates the quantity of money in the economy
- Defining monetary policy
- Describing how the central bank uses its tools of monetary policy to promote price stability, full employment, and economic growth

ACOS 12-11
Explain how the government uses fiscal policy to promote the economic goals of price stability, full employment, and economic growth.

- Defining fiscal policy and the use of taxation and government purchases
- Comparing government deficits and the national debt

Unit 5 Global Economy (10 Days)

ACOS 12-12 The Global Economy
Explain why individuals, businesses, and governments trade goods and services in the global economy.

ACOS 12-12
- Defining absolute advantage and comparative advantage
- Explaining how gains from trade, whether between two individuals or two countries, are based on the principle of comparative advantage

- Defining exchange rates
- Explaining how changes in exchange rates impact purchasing powers of individuals and businesses
- Explaining tariffs, quotas, embargoes, standards, and subsidies as trade barriers

Explaining why countries sometimes impose trade barriers and sometimes advocate free trade