

## **Grade 12 – Principles of Economics (One Semester)**

- *How is economics about scarcity, investment, growth, employment, competition, protection, entrepreneurship, and markets?*
- *What is capitalism? What are its benefits and problems?*
- *What does it mean to be financially literate?*
- *How do worldwide markets affect me?*

The study of twelfth-grade economics provides students with a unique opportunity to consider the impact of choice upon individuals, groups, and institutions. It offers a lens to understand and analyze human behavior and it builds a student's ability to make informed decisions based upon relevant economic information such as: an analysis of costs and benefits; the trade-offs between consumption, investment, and savings; the availability and allocation of natural resources; the distribution of resources among investors, managers, workers, and innovation; the role of the government in supporting, taxing, and investing in industries; and human and physical capital. The discipline also provides an important frame from which to consider the impact of governmental action (or inaction) on the lives of its citizens. Understanding how the economy functions and how economic reasoning can inform decision making will provide students with the tools they need to become financially literate and independent. Economics is the study of how people choose to use resources. It is also a discipline that analyzes how to promote productive economic activity such as entrepreneurship, education and government investment in infrastructure, research; it studies how to promote full employment, fair wage growth, and return on capital; it explores how to avoid financial dislocations and predatory business practices; and it argues how best to provide basic safety-net supports such as retirement for each citizen. The resources people use are land, labor, and capital; these resources are finite, or what some people call scarce. Scarcity means that resources, such as natural and human resources, are limited in quantity compared with the competing demands for

their use. In this one-semester economics course, students examine more deeply the choices they make and explore how these choices have consequences that ripple across the world. By learning about economics through questions, students will deepen their understanding of fundamental economic concepts like cost-benefit analysis; they will analyze the American economy in a global setting; they will explore how the federal government affects the American economy; they will learn about the labor market in a national and global setting and see themselves in it by identifying which jobs will be growing in the near future and what the education requirements are for certain jobs; they will analyze aggregate economic behavior of the US to learn about how unemployment and interest rates, for example, affect the country; and they will explore issues related to international trade. . . .

Although students first encounter Economics as a separate course in the twelfth grade, much of the course content will not be new to them. Concepts like human capital, the availability of work, cost-benefit analysis, the role of markets, infrastructure like roads and public health, the role of law and patents in encouraging innovation, the importance of private and governmental investments in research and technology, and international trade can be explained in their study of history in earlier grades. . . . Now in twelfth grade, they will examine primarily the current contexts to consider important economic questions . . .