

The GEE Assessment Guided and the textbook are aligned with the scope and sequence of the course.

#### Key concepts from Chapter 1 Pages 6 to 23

- Analyze situations involving scarcity to determine the impact or implications of insufficient resources to satisfy all needs and wants.
  - Analyze economic choices/decisions in terms of incentives, benefits, costs (including marginal costs), trade-offs, or consequences.
    - Analyze an economic choice at the personal, family, or societal level to identify its opportunity cost.
  - Explain the interdependence of resources and the availability of products in a free enterprise system.
- Explain the role of resources in the production of goods and services:
- natural resources*
  - capital resources*
  - human resources (including human capital)*
- Analyze choices and decisions related to the four basic economic questions (what to produce, how to produce it, how much to produce, and who gets what is produced).
  - Analyze actions or conditions that increase productivity or output of the economy, for example:
    - providing labor with additional capital goods*
    - division of labor and specialization*
    - technological change*
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- Analyze the circular flow of goods, services, and money payments from a diagram.
  - Explore the role of the factors of production in the economy:
    - land*
    - labor*
    - capital*
    - entrepreneurship*
  - Examine factors affecting the production and allocation of goods and services, and characterize their effects, for example:
    - incentive, profit, risk*

#### Chapter 2 Pages 38 to 47

- Characterize or compare various types of economic systems in terms of ownership/control of the means of production and distribution, determination of wages and prices, economic decision making, etc.:
  - capitalism (free enterprise), market system*
  - traditional system*
  - command economy*
  - mixed system*
- Evaluate economic systems in terms of their ability to achieve given social goals (for example, freedom, equity, efficiency, security, growth).

#### Chapter 3 Key concepts Pages 58 to 76

- Explain or analyze the effects of competition on producers and consumers; for example:
    - competition among sellers results in lower prices and profit levels*
    - competition among buyers results in higher prices for the product*
- Explain factors affecting level of competition in a market, for example:
- number of buyers and sellers*
  - profit motive*
  - collusion among buyers or sellers*
  - presence of cartels*
- Characterize or analyze the role of various institutions in economic systems, for example:
    - banks in increasing the money supply by making loans*
    - government in promoting economic growth or stable prices*
    - labor unions and labor or management actions on productivity*

- multinational corporations*
- stock market*
- businesses (for example, corporations, partnerships, individual proprietorships, cooperatives)*

Chapters 4 ,5, and 6 (Demand is chapter 4 and Supply is chapter 5) Pages 90 to 154
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- Identify factors that cause changes in supply or demand for a product, for example:
  - changes in consumer preferences or income levels, or change in prices of related products (complements, substitutes) affecting demand*
  - changes in number of producers, production costs, or prices of inputs*
  - the effect of changes in technology on supply*
  - degree of competition among producers or buyers affecting supply and demand*
- Apply the concepts of inelastic and elastic supply and demand.
- Explain the concept of equilibrium price.
- Examine the fundamental concept of the value of currency/foreign exchange and its role in a global economy
  - Explain the relationship between economic interdependence and standard of living.
    - price, relative price*
    - capital investment*
    - supply and demand*
    - consumption vs. saving*
    - entrepreneurship*

Chapter 7 –Competition and Market Structures Pages 165 to 181
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- Explain or compare/contrast features of various market structures, for example:
  - pure competition*
  - oligopoly*
  - monopolistic competition*
  - monopoly*
- Cite the advantages and disadvantages of a given market structure.
- Examine the role of government as producer, employer, and consumer in economic systems.
  
- Explain the role of regulatory agencies in the U.S. economy, for example: (See Page 180)
  - Federal Trade Commission (FTC)*
  - Environmental Protection Agency (EPA)*
  - Consumer Protection Agency (CPA)*
  - Securities and Exchange Commission (SEC)*
- Examine examples of U.S. regulations and their effects on the U.S. economy.

Chapter 8 Key Concepts Employment. Labor and Wages Pages 193 to 207
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- Explain various terms as they relate to labor unions, for example:
  - labor contract, negotiation*
  - open/closed shop*
  - slowdown, strike*
  - right to strike, right to work laws*
  - lockout*
  - injunction*
  - scab*
- Analyze the importance of labor-management relations and the effects of given labor and management practices on productivity or business profitability.
- Examine the economic consequences of actions related to labor unrest (for example, slowdown, strike, lockout), including effects on production/productivity levels.
- Compare and contrast characteristics of various forms of business ownership.

- Explain ways in which businesses have changed to meet rising production costs or to compete more effectively in a global market.
- Analyze or evaluate a given issue or situation as an example of a particular fundamental economic principle.
- Define the following fundamental economic concepts:
  - economic incentives*
  - economic self-interest*
  - profit and risk*
  - forms of exchange (that is, barter and money)*

Chapters 9 and 10 (Taxation and Government Spending) Pages 224 to 277
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- Analyze the uniform or differential impact of a given tax policy or government spending practice on individuals and businesses in a market economy, for example:
  - income tax, sales tax, excise taxes, Social Security tax*
  - shifting resources from the private to the public sector or vice versa*
  - spending programs targeting a particular income group, business sector, or business activity*
- Analyze the impact of given tax exemptions or credits on individuals and businesses (for example, tax deduction for interest paid on a home mortgage, tax incentives for business development).
- Analyze the impact of either proportional or progressive taxation on society (for example, the redistribution of income).
- Examine the worldwide exchange of goods and services in terms of its effect in increasing global interdependence and global competition.

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Analyze the effects of governmental action/intervention in a market economy, for example:

- taxation*
- government spending*
- antitrust laws, consumer protection laws*
- regulation/deregulation of industry*
- distribution of income*
- economic growth*
- competition, monopoly*
- merger, acquisition*

Chapter 13
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Key Concepts:

- Explain the meaning and use of various economic indicators or their implications as measures of economic well-being, for example:
  - Gross Domestic Product (GDP)*
  - per capita GDP, real GDP*
  - Consumer Price Index (CPI)*
  - stock market indices*
  - rate of inflation*
  - unemployment rate*

- per capita income*
- interest rate*
- value of currency*
- foreign exchange rate*

- Relate economic indicators in describing the health of an economy.
- Interpret various economic indicators used in a chart, graph, table, or news article.
- Draw conclusions about two different economies based on given economic indicators.
- Characterize inflation and deflation as a sustained increase or decrease in average price levels of an entire economy, and explain reflections in the Consumer Price Index.
- Explain the impact of inflation and deflation on individuals, nations, and the world.
- Describe the effects of interest rates on businesses and consumers.
- Predict the consequences of investment decisions made by individuals, businesses, and governments.

#### Chapter 14

- Explain various causes and consequences of unemployment in a market economy, for example:
  - available jobs*
  - lack of work experience, training, or skills*
  - labor force immobility*
  - employment discrimination*
  - minimum wage*
  - costs/benefits of looking for a job*
- Analyze regional, national, or demographic differences in rates of unemployment.
- Analyze the relationship between the business cycle and employment.
- Explain the causes and analyze the consequences of *underemployment*.

#### Chapter 15

- Explain factors contributing to unequal distribution of income in a market economy.
- Interpret a chart/graph displaying various income distributions (for example, in the United States vs. a third world nation).
- Examine the socioeconomic impact of unequal distribution of income (income disparity) in the distribution of wealth in a market economy.
- Distinguish monetary policy (policies that change the supply of money in an economy) from fiscal policy (government spending and taxation policies).
- Identify and describe various fiscal policies, for example:
  - government spending*
  - government revenue*
  - taxation programs*
  - balanced budget*
  - budget deficit/surplus*
  - national debt*
- Identify and describe various monetary policies, for example:
  - banking*
  - money supply*
  - availability of credit*
  - bank reserves*
  - loans, interest rates*

#### Chapter 15

- Explain the goals of U.S. fiscal and monetary policy (for example, promoting price stability, maximum employment, and economic growth).
- Explain the role the Federal Reserve System (the FED) as the central banking system of the United States.
- Explain the purpose of the Federal Deposit Insurance Corporation (FDIC).
- Distinguish between interest rates charged by the Federal Reserve (discount rate) and by commercial banks (for example, prime rate).

- Analyze the effects of a given fiscal or monetary policy on the U.S. economy (for example, leading to change in the availability of credit, or affecting the national debt).

Define productivity and characterize the relationship between productivity and standard of living.

- Examine the role of marketing and channels of distribution in economic decisions.
- Evaluate various careers in terms of availability, educational and skill requirements, salary and benefits, and intrinsic job satisfaction. • Explain the skills, knowledge, talents, personal characteristics, and efforts likely to enhance prospects of success in finding a job in a particular field.
- Explain the types of jobs important to meeting the needs of Louisiana industries in an information-based society.

- Explain or analyze the causes of global economic interdependence, for example:

—*imports and exports*

—*trade agreements*

—*trade surplus*

—*trade deficit*

—*balance of trade*

—*value of currency*

—*foreign exchange*

—*specialization*

- Explain how the economy of one country can affect the economies of other countries or the balance of trade among nations.
- Explain the role of the International Monetary Fund (IMF) in supporting world economies.
- Assess international differences in resources, productivity, and prices, and analyze their relationship to international trade.
- Analyze or assess ways in which economic trends affect international trade policy.

Explain reasons why nations often restrict free trade.

- Evaluate the effects of various barriers to free trade among nations (for example, tariffs/duties, quotas).
- Argue a position on the issue of free trade vs. protectionism.