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| Anchor Standard 5 | **Exchange and Markets**Analyze how the interactions of buyers and sellers in a variety of economic markets impact goods, services, labor, credit and foreign exchange in the markets; evaluate and critique the effectiveness of government policies on market outcomes.  |
| K | Explain how people use income to purchase goods and services. |
|  | 1. What is income?
2. What are goods?
3. What is a service?
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| 1st | Describe the connection between the costs of production and the price of goods and services. |
|  | 1. What is production?
2. How do I describe a connection?
3. What is a cost?
4. What is a product?
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| 2nd | Identify examples of human, capital and natural resources to explain why individuals and businesses specialize and trade.  |
|  | 1. What is a human resource?
2. What are capital resources?
3. What are natural resources?
4. What is the significance of trade?
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| 3rd | Explain the role of money and financial institutions in economic markets. |
|  | 1. What are examples of financial institutions?
2. What is economics?
3. How do people buy and trade in market systems?
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| 4th | Explain the roles of buyers and sellers in product, labor and financial markets. |
|  | 1. What is labor?
2. What are the roles of buyers/consumers and sellers in the economy?
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| 5th | Describe the role of competition in the determination of prices/wages and explain how profits influence sellers in a market. |
|  | 1. How does competition affect the price of goods?
2. What are wages/salary?
3. Why does profits influence the market systems?
4. What is a profit?
5. What is a loss?
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| 6th | Explain how changes in supply and demand cause fluctuation in prices, the production of goods and services, labor, credit and currencies.  |
|  | 1. What is supply and demand?
2. What is fluctuation in a price?
3. What is credit?
4. What is a currency?
5. How does the supply and demand of a good change the price that a consumer will pay?
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| 7th | Describe how changes in supply and demand fuel innovation and entrepreneurship and explain how external benefits and costs influence market outcomes. |
|  | 1. What is an entrepreneur?
2. What is innovation?
3. How do profits and expenses influence market outcomes?
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| 8th | Analyze the ways in which incentives, competition and the consequences of competition influence buyers and sellers in markets. |
|  | 1. What are incentives?
2. How does competition influence buyers and sellers in a market?
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| HS-1 | Explain how money facilitates exchange by reducing transactional cost and describe its relationship to financial institutions and related institutions. |
|  | 1. How is using cash a better economic choice than using credit to buy a good?
2. What are the costs of using credit cards in our economy?
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| HS-2 | Identify market inefficiencies and explain the role of government to analyze the effectiveness of these policies on domestic and foreign markets. |
|  | 1. What role does the government play in an economic recession?
2. What are examples of market inefficiencies?
3. What role does the government play in a global economy?
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| HS-3 | Evaluate the effectiveness of government policies to regulate markets and identify possible intended and unintended consequences of these policies on market outcomes. |
|  | 1. How does the government regulate markets in our economy?
2. What are the consequences of government regulations?
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| HS-4 | Analyze the impact of property rights and the rule of law on a market economy. |
|  | 1. What is rule of law?
2. What impact does the government have on property rights?
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