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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. |
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| 1st | Describe the connection between the costs of production and the price of goods and services. |
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| 2nd | Identify examples of human, capital and natural resources to explain why individuals and businesses specialize and trade.  |
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| 3rd | Explain the role of money and financial institutions in economic markets. |
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| 4th | Explain the roles of buyers and sellers in product, labor and financial markets. |
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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. |
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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.  |
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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. |
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| 8th | Analyze the ways in which incentives, competition and the consequences of competition influence buyers and sellers in markets. |
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| HS-1 | Explain how money facilitates exchange by reducing transactional costand describe its relationship to financial institutions and related institutions. |
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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. |
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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. |
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| HS-4 | Analyze the impact of property rights and the rule of law on a market economy. |
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