

Unit 2: Economic Systems & The Role of Government in a Market Economy

**UNIT 2 Overview**

*Use this overview as a guide to make sure you know what you need to learn and do for each lesson.*

1. **Read the statement of inquiry and inquiry questions.** Use these to get a big picture sense of what you need to understand and be able to do for this unit.
2. **Master** each learning goal, **review and practice** the assigned vocabulary using quizlet, and **complete your packet & at least three** homework assignments.
  - a. **Use the personal checklist in the last column as a way to track your progress.**
3. **You will receive separate handouts** with your unit work packet, instructions for your Civic Action Project, and your take home test.

**Unit 2 Statement of Inquiry:**

*Students will understand the advantages and disadvantages of a market economy through an inquiry into the role of government in different economic systems and the fairness of resource distribution in those systems.*

**Inquiry Questions**

Factual	Conceptual	Debatable
How do supply and demand influence price in a market economy?	Does the U.S. economic system create equal opportunities for Americans of all races, classes, and genders?	How, and in what ways, should governments manage and/or regulate economic activities?

Lesson # & Essential Question	Main Ideas & Learning Goals	Key Vocabulary	Assigned Reading & Homework	Personal Checklist: I...
<b>1) Resource Scarcity &amp; the Factors of Production</b> <b>EQ:</b> How do resource scarcity and the four factors of production shape economic production and decision-making?	<ul style="list-style-type: none"> <li>• Assess how scarcity shapes economic decision-making</li> <li>• I can generate examples that demonstrate an understanding of opportunity costs</li> <li>• Describe the circular flow of money and resources between producers and consumers</li> <li>• Give examples of the four factors of production</li> </ul>	<ul style="list-style-type: none"> <li>• resource scarcity</li> <li>• opportunity cost</li> <li>• factors of production (CELL: capital, entrepreneurship, land, labor)</li> <li>• circular flow model</li> <li>• producers</li> <li>• consumers</li> <li>• goods vs services</li> </ul>	<b>READ 437-448.</b> <b>Answer: pg 439</b> Civic literacy questions; <b>pg 441</b> Why it matters; <b>pg 443</b> Critical thinking question; <b>pg 445:</b> Lesson review #1; <b>&amp; pg 447</b> Critical Thinking.  <b><u>ALSO READ</u></b> 471-474. <b>Answer pg 472</b> chart skills question; <b>pg 473</b> Paraphrasing reading strategy.	<input type="checkbox"/> did the HW <input type="checkbox"/> Can answer EQ <input type="checkbox"/> Can do each learning goal <input type="checkbox"/> Aced the vocab quizzes in quizlet <input type="checkbox"/> Did my packet <input type="checkbox"/> I need help with:
<b>2) The Public &amp; Private Sector: Role of Government in the Economy</b> <b>EQ:</b> How do the public and private sectors of the U.S. economy differ?	<ul style="list-style-type: none"> <li>• I can distinguish between public and private sectors of the economy</li> <li>• I can identify and evaluate priorities in the NC or Federal budget</li> </ul>	<ul style="list-style-type: none"> <li>• fiscal policy</li> <li>• federal budget</li> <li>• public sector</li> <li>• private sector</li> </ul>	<b>READ 546-548; ANSWER: pg 546:</b> chart skills; <b>548 #2-3</b> <b>ALSO READ: 588-603;</b> <b>ANSWER: 592</b> infographic 1-2; p596 1-2; 598 Critical thinking; 599 Infographic 1-2; <b>603 #12, 5 &amp; 6.</b>	<input type="checkbox"/> did the HW <input type="checkbox"/> Can answer EQ <input type="checkbox"/> Can do each learning goal <input type="checkbox"/> Aced the vocab quizzes in quizlet <input type="checkbox"/> Did my packet <input type="checkbox"/> I need help with:

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<p><b>3) Economic Systems</b></p> <p><b>EQ:</b> What are the benefits and drawbacks of market based and more socialist economic systems?</p>	<ul style="list-style-type: none"> <li>Identify the features of four major economic systems</li> <li>Evaluate advantages &amp; disadvantages of command, market, mixed, and traditional economies</li> <li>Describe how the role of government differs in socialist and capitalist economies</li> </ul>	<ul style="list-style-type: none"> <li>laissez faire</li> <li>market economy</li> <li>capitalism</li> <li>profit motive</li> <li>Competition</li> <li>regulations</li> <li>socialism</li> <li>mixed economy</li> </ul>	<p><b>READ 477-481; ANSWER:</b> 481 #1,2,4.  <b>ALSO READ:</b> 618-625;  <b>ANSWER pg 620:</b> progress check; pg 621 progress check; pg 622 progress check.  <b>ANSWER:</b> What makes the <b>GOAL</b> of socialism different from the <b>GOAL</b> of capitalism?</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> did the HW</li> <li><input type="checkbox"/> Can answer EQ</li> <li><input type="checkbox"/> Can do each learning goal</li> <li><input type="checkbox"/> Aced the vocab quizzes in quizlet</li> <li><input type="checkbox"/> Did my packet</li> <li><input type="checkbox"/> I need help with:</li> </ul>
<p><b>4) Supply &amp; Demand in a Market Economy</b></p> <p><b>EQ:</b> How do supply and demand affect price, and what causes these variables to change?</p>	<ul style="list-style-type: none"> <li>I can graphically demonstrate how supply and demand determine equilibrium price</li> <li>I can explain how substitute and complimentary goods affect aggregate demand</li> </ul>	<ul style="list-style-type: none"> <li>Invisible hand</li> <li>supply &amp; demand</li> <li>shortage, surplus, &amp; market equilibrium</li> <li>aggregate demand</li> <li>complimentary good</li> <li>substitute good</li> </ul>	<p><b>READ:</b> 452-459. <b>ANSWER:</b> pg 454 Infographic #1&amp;2; pg 455 “Why it Matters” &amp; “Critical thinking” questions; pg 456 Graph Skills 1-2; pg 459 Review questions: #1-4. Also <b>ANSWER:</b> 461-462 #1-8.  <b>READ 477-481; ANS:</b> 481 #1,2,4</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> did the HW</li> <li><input type="checkbox"/> Can answer EQ</li> <li><input type="checkbox"/> Can do each learning goal</li> <li><input type="checkbox"/> Aced the vocab quizzes in quizlet</li> <li><input type="checkbox"/> Did my packet</li> <li><input type="checkbox"/> I need help with:</li> </ul>
<p><b>5) Economic Indicators</b></p> <p>What do key economic indicators tell us about the health of the economy?</p>	<ul style="list-style-type: none"> <li>I can evaluate economic indicators such as gross domestic product, the consumer price index, the unemployment rate, and the poverty rate to draw conclusions about the business cycle and the strength of our economy</li> <li>I can explain the relationship between phases of the business cycle, economic growth, inflation, &amp; employment</li> </ul>	<ul style="list-style-type: none"> <li>Economic growth</li> <li>Economic Indicators</li> <li>GDP</li> <li>Inflation / CPI</li> <li>unemployment rate</li> <li>poverty rate</li> <li>Stock Market</li> <li>business cycle (expansion, contraction)</li> <li>recession</li> </ul>	<p><b>READ: 463-470. ANSWER: pg 467</b> Critical thinking &amp; <b>pg 468</b> Chart skills; <b>ANSWER 470:</b> Progress check; Review #2, 3, &amp; 4.</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> did the HW</li> <li><input type="checkbox"/> Can answer EQ</li> <li><input type="checkbox"/> Can do each learning goal</li> <li><input type="checkbox"/> Aced the vocab quizzes in quizlet</li> <li><input type="checkbox"/> Did my packet</li> <li><input type="checkbox"/> I need help with:</li> </ul>
<p><b>6) Regulating the Economy</b></p> <p>What role should government play in regulating the economy?</p>	<ul style="list-style-type: none"> <li>I can describe the role of the Federal Reserve in maintaining economic growth and stability</li> </ul>	<ul style="list-style-type: none"> <li>Federal Reserve Bank</li> <li>economic stimulus</li> <li>monetary policy (bonds, reserve requirement, discount rate)</li> </ul>	<p><b>READ 573-578; ANSWER: PG 577</b> Infographic 1-2; <b>PG 578 #2.</b>    <b>&amp; READ 597-603; ANSWER: PG 600</b> Critical Thinking; <b>PG 599</b> infographic 1-2; <b>PG 603</b> Why it Matters &amp; Review #6.</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> did the HW</li> <li><input type="checkbox"/> Can answer EQ</li> <li><input type="checkbox"/> Can do each learning goal</li> <li><input type="checkbox"/> Aced the vocab quizzes in quizlet</li> <li><input type="checkbox"/> Did my packet</li> <li><input type="checkbox"/> I need help with:</li> </ul>