

ECONOMIC RELATED SOLS

2008 SOLs (Includes July 17th 2008 final changes to Curriculum Framework)

Prepared by the Virginia Council on Economic Education

January 2009

Virginia and United States Government

Essential Skill GOVT.1f

***GOVT.1f identify a problem, weigh the expected costs and benefits and possible consequences of proposed solutions, and recommend ~~prioritize~~ solutions using a decision-making model;**

*Standard GOVT.1f has been designed to be applied throughout various parts of this entire curriculum. Following are the basic economic concepts to be covered by this overarching standard. Our goal was to give basic knowledge of the economic concepts included in this standard which could then be applied to specific Virginia and United States Government content.

Economic Way of Thinking	Concept Understanding	Lessons/Activities/Resources
Costs and Benefits (and resulting consequences)	Cost/benefit analysis... is a technique for deciding whether an action should be taken by comparing its benefits and costs. Cost... The effort, loss or sacrifice necessary to achieve or obtain something. Benefits... Monetary or non-monetary gain received because of an action taken or a decision made. Consequences... The outcome of your decision.	<ul style="list-style-type: none"> ▪ “What are the Costs and Benefits of Voting?” Lesson 3, <u>Civics & Government Focus on Economics</u> ▪ “Collective Bargaining: A Negotiation Simulation,” Lesson 9, <u>Personal Decision Making Focus on Economics</u>
Decision Making	Reaching a conclusion after considering alternatives and their results. Students will understand that: Effective decision making requires comparing the additional costs of alternatives with the additional benefits. Most choices involve doing a little more or a little less of something; few choices are all-or-nothing decisions.	<ul style="list-style-type: none"> ▪ “Choice, Opportunity Costs & Decisions,” Lesson 1, <u>Focus High School Economics</u> ▪ “The Basic Questions of Health Care: What? Why? How?” Lesson 13, <u>Personal Decision Making Focus on Economics</u> ▪ “Decision Making,” Lesson 3, <u>Financial Fitness for Life 9-12</u>

SOLs expressly identified as topics where GOVT.1f is applied...

SOL	Language
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Govt.5a-5b 5c 5d	The student will demonstrate knowledge of the federal system described in the Constitution of the United States of America by a) explaining the relationship of the state governments to the national government; b) describing the extent to which power is shared; c) identifying the powers denied state and national governments; d) examining the ongoing debate that focuses on the balance of power between state and national governments.
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Govt.6a	The student will demonstrate knowledge of local, state, and national elections by a) describing the organization, role, and constituencies of political parties;
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Govt.6c	The student will demonstrate knowledge of local, state, and national elections by c) examining campaign funding and spending;
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Govt.6e	The student will demonstrate knowledge of local, state, and national elections by e) <u>examining the impact of reapportionment and redistricting on elections;</u>
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Govt.6g	The student will demonstrate knowledge of local, state, and national elections by g) analyzing voter turnout;
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Govt.6h	The student will demonstrate knowledge of local, state, and national elections by h) <u>evaluating the degree to which interest groups influence political life;</u>
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Govt.7b	The student will demonstrate knowledge of the organization and powers of the national government by b) analyzing the relationship between the three branches in a system of checks and balances;
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Govt.8b	The student will demonstrate knowledge of the organization and powers of the state and local governments described in the Constitution of Virginia by b) examining the structure and powers of local (county, city, and town) governments;
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Govt.8c	The student will demonstrate knowledge of the organization and powers of the state and local governments described in the Constitution of Virginia by c) analyzing the relationship between state and local governments and the role of regional authorities, governing boards, and commissions;
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Govt.8e	The student will demonstrate knowledge of the organization and powers of the state and local governments described in the Constitution of Virginia by e) evaluating the effectiveness of citizen efforts to influence decisions of state and local government by examining historical or contemporary events.
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Govt.9a	The student will demonstrate knowledge of the process by which public policy is made by a) examining different perspectives on the role of government;
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Govt.9b	The student will demonstrate knowledge of the process by which public policy is made by b) explaining how local, state, and national governments formulate public policy; b) describing how the national government influences the public agenda and shapes public policy;
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Govt.9e	The student will demonstrate knowledge of how public policy is made by d) e) describing how individuals, interest groups, and the media influence public policy.
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Govt.10c	The student will demonstrate knowledge of the operation of the federal judiciary by c) describing how the Supreme Court decides cases;
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Govt.10d	The student will demonstrate knowledge of the operation of the federal judiciary by d)comparing the philosophies of judicial activism and judicial restraint;
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Govt.11a	The student will demonstrate knowledge of civil liberties and civil rights by a)examining the Bill of Rights, with emphasis on First Amendment freedoms;
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Govt.11b	The student will demonstrate knowledge of civil liberties and civil rights by b) analyzing due process of law expressed in the 5th and 14th Amendments;
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Govt.11e	The student will demonstrate knowledge of civil liberties and civil rights by e) explaining every citizen’s right to be treated equally under the law.
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Govt.12a	The student will demonstrate knowledge of the role of the United States in a changing world by a) describing the responsibilities of the national government for foreign policy and national security;
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Govt.12b	The student will demonstrate knowledge of the role of the United States in a changing world by b) assessing the role played by national interest in shaping foreign policy and promoting world peace;
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Govt.12c	The student will demonstrate knowledge of the role of the United States in a changing world by c) examining the relationship of Virginia and the United States to the global economy;
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Govt.12d	The student will demonstrate knowledge of the role of the United States in a changing world by d) examining recent foreign policy and international trade initiatives since 1980.
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Govt.13a	<p>The student will demonstrate knowledge of how governments and economies in Mexico, Great Britain the United Kingdom, and the People's Republic of China compare with government and economy in the United States by</p> <ul style="list-style-type: none"> a) describing the distribution of governmental power; b) explaining the relationship between the legislative and executive branches; c) comparing the extent of participation in the political process; d) comparing the degree of government involvement in the economies.
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Govt.14a	<p>The student will demonstrate knowledge of economic systems by</p> <ul style="list-style-type: none"> a) identifying the basic economic questions encountered by all economic systems;
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Govt.14b	<p>The student will demonstrate knowledge of economic systems by</p> <ul style="list-style-type: none"> b) comparing the characteristics of free market, command, and mixed economies, as described by Adam Smith and Karl Marx;
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Govt.14c	<p>The student will demonstrate knowledge of economic systems by</p> <ul style="list-style-type: none"> c) evaluating the impact of the government's role in the economy on individual economic freedoms;
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Govt.14d	<p>The student will demonstrate knowledge of economic systems by</p> <ul style="list-style-type: none"> d) explaining the relationship between economic freedom and political freedom;
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Govt.14e	<p>The student will demonstrate knowledge of economic systems by</p> <ul style="list-style-type: none"> e) examining productivity and the standard of living as measured by key economic indicators.
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Govt.15a	The student will demonstrate knowledge of the United States market economy by a) assessing the importance of entrepreneurship, the profit motive, and economic independence to the promotion of economic growth;
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Govt.15e	The student will demonstrate knowledge of the United States market economy by e) illustrating the circular flow of economic activity;
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Govt.15f	The student will demonstrate knowledge of the United States market economy by f) analyzing global economic trends, with emphasis on the impact of technological innovations. <u>and the relationship of Virginia and the United States to the global economy.</u>
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Govt.16a	The student will demonstrate knowledge of the role of government in the Virginia and United States economies by a) analyzing the impact of fiscal and monetary policies on the economy;
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Govt.16b	The student will demonstrate knowledge of the role of government in the Virginia and United States economies by b) describing the creation of public <u>government provided</u> goods and services <u>that are not readily produced by the market</u> ;
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Govt.16c	The student will demonstrate knowledge of the role of government in the Virginia and United States economies by c) examining environmental issues, property rights, contracts, consumer rights, labor-management relations, and competition in the marketplace;
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Govt.16d	The student will demonstrate knowledge of the role of government in the Virginia and United States economies by d) understanding the types and purposes of taxation.
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Economics related SOLs

SOL #	Summary of Language
GOVT.3a,3b,3c,3d,3e	<p>The student will demonstrate knowledge of the concepts of democracy by</p> <ol style="list-style-type: none"> a) recognizing the fundamental worth and dignity of the individual; b) recognizing the equality of all citizens under the law; c) recognizing majority rule and minority rights; d) recognizing the necessity of compromise; e) recognizing the freedom of the individual. <p>Essential Understandings Identified Concepts of democracy define and shape the meaning of citizenship.</p> <p>Essential Questions Identified What concepts define the meaning of democracy as expressed in the United States constitutional system?</p> <p>Essential Knowledge Identified Fundamental political concepts</p> <ul style="list-style-type: none"> • Fundamental worth and dignity of the individual: All persons are entitled to life, liberty, and due process under the law. • Equality: All persons are entitled to equal rights and treatment before the law. • Majority rule: The will of the majority as expressed through elections is fundamental to the American system. • Minority rights: The Constitution of the United States protects the rights of the few from oppression. • Compromise: The structure of the United States government necessitates compromise by all sides. • Individual freedom: All persons are born free, equal, and independent. • An analysis of current events demonstrates contemporary applications of democratic concepts

<p>GOVT. 5a, 5b, 5c, 5d</p>	<p>The student will demonstrate knowledge of the federal system described in the Constitution of the United States of America by</p> <ol style="list-style-type: none"> explaining the relationship of the state governments to the national government; describing the extent to which power is shared; identifying the powers denied state and national governments; examining the ongoing debate that focuses on the balance of power between state and national governments <p>Essential Understandings Identified The Constitution of the United States of America provides for a federal system of government in which power is shared between the states and the national government.</p> <p>Essential Questions Identified</p> <p>What is the relationship of the state governments to the national government?</p> <p>How is power divided and shared between the national and state levels of government?</p> <p>What powers are denied to both national and state governments?</p> <p>Essential Knowledge Identified The Constitution of the United States of America establishes a federal form of government in which the national government is supreme.</p> <p>The powers not given to the national government by the Constitution of the United States of America are reserved to the states or people (<u>10th amendment</u>).</p> <p>Powers of national government</p> <ul style="list-style-type: none"> Expressed powers - Powers directly stated in the Constitution of the United States of America, such as the power to levy and collect taxes, make war, and regulate trade among the states Implied powers - Powers reserved by the national government but not specifically listed; source for implied powers is the elastic clause or “necessary and proper” clause (Article I, Sec. 8) Inherent powers - Powers that the national government may exercise simply because it is the national government, such as establishment of diplomatic relations and regulation of immigration <p>Areas where powers are shared</p> <ul style="list-style-type: none"> Taxation
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	<ul style="list-style-type: none"> • Education policy • Criminal justice laws <p>Conflicts between the state and national authority in a federal system are found in concurrently held powers.</p> <p>Powers denied to both the national and state governments</p> <ul style="list-style-type: none"> • Ex post facto laws • Tax on exports <p>Federalism is not a static relationship between levels of government. The distribution of power between the states and the national government is the source of considerable political debate.</p>
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GOVT. 6c	<p>The student will demonstrate knowledge of local, state, and national elections by</p> <p>c) examining campaign funding and spending;</p> <p>Essential Understandings Identified Running <u>Campaigning</u> for political office is expensive.</p> <p>Essential Questions Identified How has the high cost of getting elected affected campaign funding and spending?</p> <p>Essential Knowledge Identified Laws limit the amount individuals and groups may contribute to federal, state, and local candidates.</p> <p>The Federal Election Campaign Act provides for a system of financing based on three principles:</p> <ul style="list-style-type: none"> • Public funding of presidential elections • Limitations on the amounts presidential and congressional candidates may receive from contributors • Public disclosure of the amount candidates spend to get elected <p>In state and local campaigns, campaign contributions are unlimited but must be reported.</p> <p>Rising campaign costs require candidates to conduct extensive fundraising activities. <u>Increasingly, fundraising is done online.</u></p>
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GOVT 6h	<p>The student will demonstrate knowledge of local, state, and national elections by <u>h) evaluating the degree to which interest groups influence political life</u></p> <p>Essential Understandings Identified <u>Interest groups help shape legislation by influencing legislators.</u></p> <p>Essential Questions Identified <u>How do interest groups influence political life?</u></p> <p>Essential Knowledge Identified <u>Ways interest groups influence political life</u></p> <ul style="list-style-type: none"> • <u>Stimulate interest in public affairs</u> • <u>Serve as a vehicle for participation in the political process</u> • <u>Advance specific political, social, or economic issues</u> • <u>Contribute to political campaigns</u> • The high cost of campaigning increases the influence of interest groups and political action committees (PACs)
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GOVT.7a	<p>The student will demonstrate knowledge of the organization and powers of the national government by</p> <p>a) examining the legislative, executive, and judicial branches;</p> <p>Essential Understandings Identified The legislative branch is a bicameral body with committees playing a major role in the legislative process.</p> <p>The Constitution of the United States of America grants both expressed and implied powers to the legislative branch.</p> <p>The executive branch consists of the President, Vice President, and the federal bureaucracy.</p> <p>The organization and powers of the judicial branch are derived from the Constitution of the United States of America and federal law.</p> <p>Essential Questions Identified How is Congress organized? How are committees organized and what is their purpose? What are the expressed and implied powers? What are the three parts of the executive branch and how are these positions filled? What are the expressed and implied powers of the executive branch? What is the organization and jurisdiction of the federal court system?</p> <p>Essential Knowledge Identified The two houses of Congress</p> <ul style="list-style-type: none"> • The Senate: 100 members, with each state having two senators • The House of Representatives: 435 members, with representation based on the population of the state(s) <p>Congressional committees</p> <ul style="list-style-type: none"> • Committees are organized by subject matter. • Because of the large volume of work, committees are essential to the legislative process. <p>Expressed powers of Congress</p> <ul style="list-style-type: none"> • Levy taxes • Borrow money
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- Regulate commerce
- Coin money

Implied powers allow Congress to do all things “necessary and proper” to carry out its expressed powers.

The executive branch is headed by the President and Vice President, who are supported by the Executive Office, the cabinet, and the federal bureaucracy

Responsibilities of the President and Vice President

- Overseeing the various parts of the executive branch
- Enforcing laws
- Issuing executive ordinances
- Appointing and removing officials
- Making treaties and executive agreements
- Commanding the military

United States Court System

- Supreme Court
 - Nine justices, no jury
 - Hears appeals from lower federal courts and highest state court
 - Has limited original jurisdiction
 - United States Court of Appeals
 - Judges, no jury
 - Hears appeals from United States district courts and certain other federal courts and commissions
 - United States District Court
 - Judge and jury
 - Tries cases involving federal crimes and federal civil proceedings
- Does not hear appeals

GOVT.7c	<p>The student will demonstrate knowledge of the organization and powers of the national government by</p> <p>c) <u>examining the ways individuals and groups exert influence on the national government.</u></p> <p>Essential Understandings Identified <u>Individuals and groups exert influence on the national government.</u></p> <p>Essential Questions Identified <u>How do individuals and groups exert influence on the national government?</u></p> <p>Essential Knowledge Identified <u>Ways individuals influence public policy:</u></p> <ul style="list-style-type: none"> • <u>Participating in politics (voting, campaigning, seeking office)</u> • <u>Expressing opinions (lobbying, demonstrating, writing letters, blogging, speaking at public meetings, petitioning, meeting with public officials)</u> • <u>Joining interest groups or political parties</u> <p><u>Ways interest groups/lobbyists influence public policy:</u></p> <ul style="list-style-type: none"> • <u>Identifying issues</u> • <u>Stimulating interest in public affairs</u> • <u>Working to build a positive image for the group</u> • <u>Organizing individuals of like-minded interests</u> • <u>Providing useful information to government officials</u> • <u>Lobbying to persuade policymakers to share an interest group's point of view</u> • <u>Making political contributions</u> • <u>Monitoring the policymaking and regulatory processes</u> • <u>Organizing communities of like interests</u>
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GOVT.8a	<p>The student will demonstrate knowledge of the organization and powers of the state and local governments described in the Constitution of Virginia by</p> <p>a) examining the legislative, executive, and judicial branches.</p> <p>Essential Understandings Identified The Constitution of Virginia provides for legislative, executive, and judicial branches.</p> <p><u>Actions taken by state and local government have direct impact on the everyday lives of Virginians.</u></p> <p>Essential Questions Identified How are the three branches organized and what are their essential duties?</p> <p>Essential Knowledge Identified Branches of Virginia government</p> <ul style="list-style-type: none"> • The executive branch consists of three statewide elected officials: <ul style="list-style-type: none"> - The Governor, who is the chief executive officer of the state, is responsible <u>for overseeing the state bureaucracy, for preparing the biennial state budget, overseeing the execution of state laws and policies, and proposing legislation, to the legislature, and appointing cabinet secretaries, the heads of various state agencies, and the members of policy-setting boards and commissions.</u> The Governor can exercise the veto power. Governors serve for a four-year term, and <u>but</u> may not serve two consecutive terms. - The † Lieutenant g Governor's main duty is to preside over the <u>state Virginia Senate when it is in session.</u> — The attorney general is the state's highest legal officer, who oversees all law enforcement activity. - <u>The Attorney General's main function is to be the lawyer for the state. He/she issues non-binding advisory opinions on legal issues and defends the state in legal matters.</u> • The legislative branch of Virginia is known as the General Assembly. It is the oldest continuous legislative body in the Americas. The General Assembly is a bicameral (two-house) law-making body. • <u>The General Assembly confirms the Governor's appointments, enacts laws, passes the budget and levies taxes to fund the budget.</u> <ul style="list-style-type: none"> - The Senate consists of 40 members, who serve single-member districts based upon population. Senators are elected to four-year terms. - The House of Delegates consists of 100 members representing single-member districts based upon population. Members serve
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	<p>two-year terms.</p> <ul style="list-style-type: none">• Virginia's judicial system consists of four levels of courts. Judges are elected by the state legislature for a specific term.<ul style="list-style-type: none">- Supreme Court: Reviews decisions of lower <u>state</u> courts- Court of Appeals: Provides a review of lower court decisions and state commissions- Circuit Courts: Has <u>Have</u> original and appellate jurisdiction in civil and criminal cases- General District Courts: Has <u>Have</u> original jurisdiction in misdemeanor and traffic cases, <u>and in lesser civil cases</u>- <u>Juvenile and Domestic Relations Courts: Have original jurisdiction in cases involving juveniles</u>
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GOVT 8b	<p>The student will demonstrate of the organization and powers of the state and local governments described in the Constitution of Virginia by b) examining the structure and powers of local (county, city, and town) governments.</p> <p>Essential Understandings Identified Virginia local governments vary in type, form of organization, and responsibilities.</p> <p>Regional authorities are political subdivisions of the state and address needs that cross local government boundaries.</p> <p>Responsible citizens can exert influence on the policymaking process at the local level.</p> <p>Essential Questions Identified How are local governments in Virginia organized?</p> <p>How can citizens shape the policy agenda and influence the decisions of local government officials?</p> <p>Essential Knowledge Identified Counties, independent cities, and incorporated towns are the three types of local government in Virginia.</p> <p>Cities are separate governmental entities independent of the authority and taxing power of adjoining counties.</p> <p>Incorporated towns are governmentally part of the county in which they are located.</p> <p>Counties and independent cities, as units of local government, adopt and enforce ordinances, <u>set the budget and tax rate,</u> and provide services for their residents.</p> <p>An elected board of supervisors is generally responsible for the legislative and administrative affairs of the county.</p> <p>An elected council is the local legislative body in independent cities and incorporated towns.</p> <p><u>A city or town manager can be appointed by the council to oversee daily operations of the local government.</u></p>
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	<p><u>An elected or appointed school board oversees the operation of the public schools.</u></p> <p>Regional authorities are created by the General Assembly to serve one or more special functions such as planning, land use, developing regional transportation facilities, and maintaining water and waste disposal systems.</p>
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GOVT.8c	<p>The student will demonstrate knowledge of the organization and powers of the state and local governments described in the Constitution of Virginia by</p> <p>c) <u>analyzing the relationship between state and local governments and the role of regional authorities, governing boards, and commissions;</u></p> <p>Essential Understandings Identified The authority of local governments in Virginia is derived from the <u>Virginia Constitution and the state government.</u></p> <p><u>Regional authorities are political subdivisions of the state and address needs that cross local government boundaries.</u></p> <p>Essential Questions Identified What is the relationship between the state and local governments?</p> <p><u>What is the relationship between regional authorities and commissions and the governing board of localities?</u></p> <p>Essential Knowledge Identified Dillon's Rule: All power of the local government is derived from the state.</p> <p>Counties and cities, as administrative subdivisions of the state, assist in the local implementation of state laws and programs.</p> <p><u>Regional authorities are created by the General Assembly to serve one or more special functions such as planning, land use, developing regional transportation facilities, and maintaining water and waste disposal systems, and providing regional facilities such as parks, libraries, and jails.</u></p> <p><u>Boards and commissions establish policy, work collaboratively with government officials, and oversee public institutions such as Virginia's public universities.</u></p>
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GOVT.9a	<p>The student will demonstrate knowledge of the process by which public policy is made by</p> <p>a) examining different perspectives on the role of government;</p> <p>Essential Understandings Identified Individuals have different opinions about the role of government in shaping public policy.</p> <p>Essential Questions Identified How do individuals differ in their opinions about the role of government?</p> <p>Essential Knowledge Identified Differences of opinion about the role of government are due primarily to ideology.</p> <p>An ideology is a set of basic beliefs about life, culture, government, and society. A person's ideology provides a framework for looking at government and public policy. Ideology is shaped by many factors including family, education, religion, socio-economic status, race and ethnicity, gender, and region. Traditionally, American political perspective falls into two <u>three</u> broad categories of opinion:</p> <ul style="list-style-type: none"> • Conservative - Generally believes that the role of government should be limited and that freedom of opportunity enterprise and initiative should be promoted • <u>Moderate - Generally seeks middle ground between conservative and liberal positions.</u> • Liberal - Generally believes that the role of government should be active and that economic equality <u>opportunity</u> should be promoted <p>Individuals may not always be consistent in their opinions about public policy (e.g., a person may hold conservative views about the economy and liberal views about society).</p>
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GOVT.9b	<p>The student will demonstrate knowledge of the process by which public policy is made by</p> <p>a) explaining how local, state, and national governments formulate public policy;</p> <p><u>b) describing how the national government influences the public agenda and shapes public policy;</u></p> <p>Essential Understandings Identified Public policy is shaped by the interaction of the participants in the policy process with the policy agenda.</p> <p><u>The laws enacted by the national government generally reflect the public agenda that is shaped by individuals, elected officials, political leaders, interest groups, and the print and electronic media.</u></p> <p>Essential Questions Identified How are policy agendas and policy decisions shaped by individual citizens, interest groups, and the media?</p> <p><u>How does government at the national level influence the public agenda and shape public policy?</u></p> <p>Essential Knowledge Identified Public policy is the action the government takes to address an issue, solve a problem, or meet the needs and wishes of the citizens.</p> <p>Participants in the policy process include <u>elected officials</u>, political leaders, interest groups, the media, and individual citizens.</p> <p>These participants shape the policy agenda and develop public policy by</p> <ul style="list-style-type: none"> • Attending political and governmental meetings • Lobbying • Working in campaigns • Contributing money to candidates and funding causes • Organizing public opinion • Filing a legal challenge • Petitioning government • Demonstrating • Running for office
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GOVT. 12a	<p>The student will demonstrate knowledge of the role of the United States in a changing world by</p> <ul style="list-style-type: none"> ▪ describing the responsibilities of the national government for foreign policy and national security; <p>Essential Understandings Identified American foreign policy consists of the official positions and actions that the national government takes in its relationships with other countries.</p> <p>Essential Questions Identified How are foreign policy decisions made and implemented? How are American interests safeguarded at home and abroad?</p> <p>Essential Knowledge Identified The President has primary responsibility for making foreign policy; the President can negotiate, persuade, apply economic pressure, and threaten military intervention.</p> <p>Foreign policy powers of other branches</p> <ul style="list-style-type: none"> • Congress has the power to declare war and to appropriate funds. • The Senate has the power to confirm ambassadors and to ratify treaties. • The Supreme Court has the power to interpret treaties. <p>Key agencies in the foreign policy arena</p> <ul style="list-style-type: none"> • State Department • National Security Council • Foreign Service • Department of Defense • Central Intelligence Agency <p>Public opinion, special interests, international organizations, and foreign countries influence foreign policy and national security issues. The President is the Commander in Chief of the armed forces.</p> <p>Conventional diplomacy, foreign aid, economic sanctions, and military intervention abroad serve to protect American interests and promote national security.</p>
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GOVT.12c	<p>The student will demonstrate knowledge of the role of the United States in a changing world by</p> <ul style="list-style-type: none"> ▪ examining the relationship of Virginia and the United States to the global economy; <p>Essential Understandings Identified Total world production is greater when nations specialize in the production of those products that can be produced most efficiently.</p> <p>The economies of Virginia and the United States depend on resources and markets around the world for the production and sale of goods and services.</p> <p>Essential Questions Identified What is the nature of the relationship of Virginia and the United States to the global economy?</p> <p>Essential Knowledge Identified Virginia and United States businesses have become multinational in their quest for resources, markets, and profits.</p> <p>International trade provides Virginia and the United States with goods and services for which they do not possess absolute or comparative advantage.</p> <p>Virginia and the United States benefit when they produce goods and services for which they have a comparative advantage and trade for other items</p>
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GOVT 12d	<p>The student will demonstrate knowledge of the role of the U.S .in a changing world by d) examining recent foreign policy and international trade initiatives since 1980.</p> <p>Essential Understandings Identified The United States continues to face challenges to its security and economic well-being in the post-Cold War era.</p> <p>In recent decades the national government has worked to reduce barriers to international trade.</p> <p>Essential Questions Identified What challenges shaped American foreign policy in the post-Cold War world?</p> <p>How has the national government worked to promote fair and free trade throughout the world?</p> <p>Essential Knowledge Identified Recent initiatives addressing foreign policy challenges</p> <ul style="list-style-type: none"> • Trade with China • Human rights abuses • Nuclear and biological arms control • The future of NATO • Curbing drug traffic • Global environment <p>United States trade agreements</p> <ul style="list-style-type: none"> • North American Free Trade Agreement (NAFTA)—A free-trade zone (Canada, Mexico, and the United States) intended to eliminate trade barriers, promote fair competition, and increase investment opportunities • <u>World Trade Organization (WTO) – Was established in 1995. Its role is administering trade agreements, handling disputes, and providing a venue for negotiating among its member nations.</u>
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GOVT 13d	<p>The student will demonstrate knowledge of how governments <u>and economies</u> in Mexico, the United Kingdom, and the People’s Republic of China compare with governments <u>and economy</u> in the United States by d) comparing the degree of government involvement in the economies.</p> <p>Essential Understandings Identified Governments organize their institutions to serve the fundamental purposes for which government is established.</p> <p>Participation in the political process reflects the degree to which governmental power is limited.</p> <p><u>Economies have different degrees of government involvement.</u></p> <p>Essential Questions Identified How are constitutional governments typically organized?</p> <p>How does participation in the political process reflect restraints on the power of government?</p> <p>Essential Knowledge Identified The two most common ways to organize institutions of the central government</p> <ul style="list-style-type: none"> • A federal system of government (United States and Mexico) - Powers are shared between levels of government; powers are separated and shared among the branches of the national government. • A unitary system of government (Great Britain <u>the United Kingdom and the People’s Republic of China</u>) - All governmental power is vested in the central government, which may choose to delegate some of its authority; this type of government often has a parliamentary system. The legislative branch holds both legislative and executive powers. The executive is chosen by the legislature. <p>Limited governments have restraints on power and encourage broad-based participation in the political process.</p> <p>Governments of unlimited power (authoritarian governments) place no limits on the power wielded by one person or small group.</p> <p>The Chinese Communist Party (CCP) controls all levels of government in the People’s Republic of China. Participation in the political process is limited.</p>
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	<p><u>Economies</u></p> <ul style="list-style-type: none"> • <u>Mexico – Market economy with government ownership of some major industries</u> • <u>United Kingdom– Generally market economy and private ownership of property</u> • <u>People’s Republic of China – Command economy with an increasing importance for markets</u>
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GOVT. 14a	<p>The student will demonstrate knowledge of economic systems by</p> <p>a) identifying the basic economic questions encountered by all economic systems;</p> <p>Essential Understandings Identified Every society must answer three basic economic questions.</p> <p>Essential Questions Identified What are the basic economic questions every society must answer?</p> <p>Essential Knowledge Identified Basic economic questions</p> <ul style="list-style-type: none"> • What goods and services should be produced? • How should they be produced? • For whom are they produced? <p>How a society answers these questions determines the type of economy it has.</p>
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GOVT 14b	<p>The student will demonstrate knowledge of economic systems by b) comparing the characteristics of free market, command, and mixed economies, as described by Adam Smith and Karl Marx.</p> <p>Essential Understandings Identified The type of economy is determined by the amount of government involvement in economic decision-making.</p> <p>Essential Questions Identified What are the basic characteristics of <u>traditional</u>, free market, command, and mixed economies?</p> <p>Essential Knowledge Identified</p> <p><u>Traditional economy</u></p> <ul style="list-style-type: none"> • <u>Economic decisions are based on custom and historical precedent.</u> • <u>People often perform the same type of work as their parents and grandparents, regardless of ability or potential.</u> <p>Free market</p> <ul style="list-style-type: none"> • A free market economy is characterized by private ownership of property/resources, profit, competition, consumer sovereignty, and individual choice. • Adam Smith was one of the founders of free-market capitalism. <p>Command economy</p> <ul style="list-style-type: none"> • A command economy is characterized by central ownership of property/resources, centrally-planned economy, and lack of consumer choice. • Karl Marx provided the ideological foundation for communist/centrally-planned economies. <p>Mixed economy</p> <ul style="list-style-type: none"> • Individuals and businesses make decisions for the private sector. • Government makes decisions for the public sector. • Government's role is greater than in a free-market economy. • Most economies today are mixed economies.
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GOVT. 14c	<p>The student will demonstrate knowledge of economic systems by</p> <p>c) evaluating the impact of the government's role in the economy on individual economic freedoms;</p> <p>Essential Understandings Identified Maintaining freedom of choice in the marketplace is the basis of the free-enterprise system. Government plays a limited but important role in the protection of individual economic freedoms.</p> <p>Individuals have the right to the basic economic freedoms enjoyed in a free market society. The government is responsible for protecting those freedoms.</p> <p>Essential Questions Identified What are some economic freedoms? What is the government's role in protecting these freedoms?</p> <p>Essential Knowledge Identified Economic freedoms of individuals</p> <ul style="list-style-type: none"> • Ability to earn money • Right to purchase property • Right to spend incomes on goods and services • Right to choose occupations or change jobs • Right to make choices about where to save and how much • Right to open new businesses <p>The government has created certain consumer protection laws and agencies.</p>
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GOVT. 14d	<p>The student will demonstrate knowledge of economic systems by d) explaining the relationship between economic freedom and political freedom;</p> <p>Essential Understandings Identified A strong relationship exists between the economic and political freedoms enjoyed by citizens of free and authoritarian nations.</p> <p>Essential Questions Identified To what degree are economic freedoms and political freedoms related in democratic and authoritarian nations?</p> <p>Essential Knowledge Identified The degree of economic freedom in a nation tends to be directly related to the degree of political freedom its citizens enjoy.</p> <p>Democratic nations</p> <ul style="list-style-type: none">• High degree of economic freedom• High degree of political freedom <p>Authoritarian nations</p> <ul style="list-style-type: none">• Limited economic freedom• Limited political freedom
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GOVT 14 e	<p>The student will demonstrate knowledge of economic systems by</p> <p>e) examining productivity and the standard of living as measured by key economic indicators.</p> <p>Essential Understanding Identified Formulation of economic policies requires an understanding of accurate measures of the economy's performance.</p> <p>Essential Question Identified What are the key economic indicators?</p> <p>Essential Knowledge Identified Indicators of economic performance</p> <ul style="list-style-type: none"> • Gross Domestic Product (GDP) is the total dollar value of all final goods and services produced in a year. • Consumer price index measures the monthly price changes of sample consumer goods and services. • Unemployment rate is the percentage of the labor force without jobs. • Balance of trade is the difference in dollar value of imports and exports. • Stock market averages are select groups of stocks whose performance is averaged, and over time the averages serve as an indicator for the market. <p>Productivity is the amount of output per unit of input over a period of time.</p> <p>Productivity and standards of living are generally higher in economies, have limited government planning and control of the economy.</p>
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GOVT 15a	<p>The student will demonstrate knowledge of the United States market economy by</p> <p>a) assessing the importance of entrepreneurship, the profit motive, and economic independence to the promotion of economic growth;</p> <p>Essential Understandings Identified</p> <p>The entrepreneur sees an economic need and tries to fill it.</p> <p>Profit is an entrepreneur’s reward for taking a risk and succeeding.</p> <p>Entrepreneurs must have the freedom to start new business ventures but must accept the responsibilities of that freedom.</p> <p>Essential Question Identified</p> <p>What is entrepreneurship?</p> <p>What is profit?</p> <p>What is the relationship between entrepreneurship and economic independence?</p> <p>Essential Knowledge Identified</p> <p>Entrepreneurship is the organizational abilities and risk-taking involved in starting a new business or introducing a new product.</p> <p>Entrepreneurs must be willing to take risks, handle rejection, survive financial uncertainty, and make personal sacrifices.</p> <p>Profit is the difference between the revenue received from the sale of a good or service and the costs of providing that good or service.</p> <p>Economic structures that provide freedom of choice encourage and possess higher levels of entrepreneurship.</p>
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GOVT.15b	<p>The student will demonstrate knowledge of the United States market economy by</p> <ul style="list-style-type: none">b) comparing the types of business organizations; <p>Essential Understandings Identified There are three basic ways that businesses organize to earn profits.</p> <p>Essential Question Identified What are the basic types of profit-seeking business structures?</p> <p>Essential Knowledge Identified Types of profit-seeking business structures</p> <ul style="list-style-type: none">• Proprietorship - A form of business organization with one owner who takes all the risks and all the profits.• Partnership - A form of business organization with two or more owners who share the risks and the profits.• Corporation - A form of business organization that is authorized by law to act as a legal person regardless of the number of owners. <p>In a corporation, owners share in the profit and limit their liability to the amount of their investment.</p>
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GOVT 15c	<p>The student will demonstrate knowledge of the United States market economy by</p> <p>c) describing the factors of production;</p> <p>Essential Understandings Identified The production of goods and services depends on four basic categories of resources which are interdependent in the production process.</p> <p>Essential Question Identified What are the four basic resources (factors of production), and how are they interdependent?</p> <p>Essential Knowledge Identified Factors of production</p> <ul style="list-style-type: none"> • Labor, also called human resources, is any form of human effort used in the production of goods and services. • Capital is human-made resources (tools, buildings, equipment) used in the production of other goods and services. • Natural resources are those items provided by nature that are used in the production of goods and services. • An entrepreneur is the risk-taker who organizes the other resources for production. <p>All production depends on natural resources, which need capital for conversion to usable goods and labor to make the conversion.</p>
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GOVT. 15d	<p>The student will demonstrate knowledge of the United States market economy by</p> <p>d) explaining the interaction of supply and demand;</p> <p>Essential Understandings Identified The interaction of supply and demand in a market economy determines price.</p> <p>Essential Question Identified How do supply and demand interact to determine price?</p> <p>Essential Knowledge Identified See chart below.</p> <p>Essential Skill Identified Create and interpret maps, diagrams, tables, charts, graphs, and spreadsheet. (GOVT.1b)</p>
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	<i>Definition</i>	<i>Laws</i>	<i>Determinants</i>	<i>Equilibrium</i>
Demand	Willingness and ability to buy various quantities of a good or service at various prices	Law of Demand - Quantity demanded varies inversely to price: If all else remains equal, the lower the price, the higher the quantity demanded, and the higher the price, the lower the quantity demanded.	Factors other than price influencing demand: substitutes, complements, number of demanders, consumer preference, income	Equilibrium is the point where supply and demand balance each other; below this point is a shortage, and above this point is a surplus.
Supply	Willingness and ability to provide various quantities of a good or service at various prices	Law of Supply - Quantity supplied varies directly with price: If all else remains equal, the lower the price, the lower the quantity supplied, and the higher the price, the higher the quantity supplied.	Factors other than price influencing supply: number of producers, technology, government policies, productivity of resources	Equilibrium is the point where supply and demand balance each other; below this point is a shortage, and above this point is a surplus.

GOVT.15e	<p>The student will demonstrate knowledge of the United States market economy by</p> <p>e) illustrating the circular flow of economic activity;</p> <p>Essential Understandings Identified Households, firms, and government are interdependent in a market economy.</p> <p>Resources, goods and services, and money constantly flow in a market economy.</p> <p>Essential Question Identified How do households, firms, and the government interact to sustain the operation of a market economy?</p> <p>Essential Knowledge Identified The interaction of households, firms, and the government are referred to as the circular flow of economic activity:</p> <ul style="list-style-type: none"> • Households, owners of the factors of production, sell those resources to firms. • Firms use the resources to produce goods and services that households want. • Households use the money from the sale of resources to purchase goods and services. • Firms use the money from the sale of goods and services to buy more productive resources. • Government taxation policies and regulations may speed up or slow down the flow of resources, goods and services, and money in a market economy.
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GOVT 15f	<p>The student will demonstrate knowledge of the United States market economy by</p> <p>g) analyzing global economic trends, with emphasis on the impact of technological innovations, and the relationship of Virginia and the United States to the global economy.</p> <p>Essential Understandings Identified <u>The economies of individual nations are interdependent.</u></p> <p>The economy of the United States depends on resources and markets around the world for the production and sale of goods and services.</p> <p>Total world production is greater when nations specialize in the production of those products that they can produce most efficiently.</p> <p>Voluntary trade benefits all parties involved.</p> <p>Essential Questions Identified How are economies interdependent?</p> <p><u>How have enhanced information flows created an expansion of markets for businesses and consumers worldwide?</u></p> <p><u>How does technology facilitate working across borders?</u></p> <p><u>How does changing worldwide supply and demand for limited natural resources affect their prices?</u></p> <p><u>How does immigration affect the supply of labor in the United States?</u></p> <p><u>What is a trade deficit?</u></p> <p><u>Who are the major trading partners for Virginia and the United States?</u></p> <p>Essential Knowledge Identified Resources are distributed unequally.</p> <p>Some economies can produce certain products more efficiently than other economies, thus having an absolute advantage in the production of that product.</p> <p>Trade provides economies with items in which they do not possess absolute advantage.</p> <p>When an economy is more efficient than other economies in producing a</p>
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~~product, it has a comparative advantage in that product.~~

~~Economies benefit when they produce those products in which they have a comparative advantage and trade for other items.~~

United States businesses have become multinational in their quest for productive resources, markets, and profits. United States firms may move factories to other countries to reduce costs (off-shoring).

Advances in technology allow businesses to get skilled work such as engineering and accounting done by people who remain in their home countries (outsource). This increases the supply of workers and holds wages and cost of production down. Immigration brings workers into the country and increases the supply of labor.

As foreign countries develop and grow, they demand more products and natural resources, such as oil, pushing up prices.

When the United States imports more goods and services than it exports, the difference is the trade deficit.

Canada, Mexico, the European Union, China and Japan are the major trading partners of the United States.

GOVT 16a	<p>The student will demonstrate knowledge of the role of government in the Virginia and United States economies by</p> <p>a) analyzing the impact of fiscal and monetary policies on the economy;</p> <p>Essential Understandings Identified Two major instruments for influencing economic activity are monetary and fiscal policies.</p> <p>Essential Question Identified How do monetary and fiscal policy <u>policies</u> influence economic activity?</p> <p>Essential Knowledge Identified Changes in fiscal and monetary policies can stimulate or slow the economy.</p> <p>The Federal Reserve System serves as the United States central bank.</p> <p>The Federal Reserve Board controls monetary policy by changing the availability of loanable funds or adjusting interest rates.</p> <p>Three instruments of monetary policy are reserve requirements, discount rates, and open-market operations.</p> <p>The government can use fiscal policies which are changes in taxing, changes in spending, and the issue of government bonds to influence economic activity.</p>
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GOVT 16b	<p>The student will demonstrate knowledge of the role of government in the Virginia and United States economies by</p> <p>b) describing the creation of public <u>government provided</u> goods and services <u>that are not readily produced by the market</u>;</p> <p>Essential Understandings Identified Many public goods and services would not be available if they were not provided by the government.</p> <p>Essential Question Identified What are <u>the characteristics of</u> public goods and services <u>provided by government</u>?</p> <p>Why and how does the government provide <u>certain</u> goods and services?</p> <p>Essential Understanding Identified <u>Government provided</u> public goods and services, sometimes called collective goods and services, benefit many but would not be available to everyone if individuals had to provide them.</p> <p>Taxes <u>and/or fees</u> pay for the production of public <u>government provided</u> goods and services.</p> <p><u>Examples of goods and services provided by the government</u></p> <ul style="list-style-type: none"> • <u>Infrastructure</u> • <u>Public health and safety</u> • <u>Public schools</u> <p>Reasons why government provides public goods and services</p> <ul style="list-style-type: none"> • It is more efficient. • The goods or services may benefit individuals other than the purchaser. • The value of the goods or services is greater than the individual consumer could afford. • It promotes economic equity.
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GOVT 16c	<p>The student will demonstrate knowledge of the role of government in the Virginia and United States economies by</p> <p>c) examining environmental issues, property rights, contracts, consumer rights, labor-management relations, and competition in the marketplace;</p> <p>Essential Understandings Identified</p> <p>Protecting the environment is a public service.</p> <p>Property rights of an individual are relative and limited.</p> <p>Contracts are legally binding.</p> <p>The United States government creates laws and agencies to regulate production and exchange activities, conduct research, and establish guidelines for consumer rights and safety. The government can also intervene in labor-management relations and can regulate competition in the marketplace.</p> <p>Essential Question Identified</p> <p>How does the government protect the environment?</p> <p>What is the role of the government in protecting property rights?</p> <p>What is the role of the government in the enforcement of legal contracts?</p> <p>How does the government protect consumer rights?</p> <p>What is the government’s role in labor-management relations?</p> <p>How does the government regulate marketplace competition?</p> <p>Essential Knowledge Identified</p> <p>The government sets regulations, levies fees, and subsidizes reduction efforts to ensure that the producer pays all costs of pollution.</p> <p>Individuals have the right of private ownership, which is protected by negotiated contracts that are enforceable by law. However, the rights of a society as a whole rank above those of the individual.</p> <p>Individuals enter into agreements (contracts) with one another to buy and sell goods and services. Whether written or oral, these agreements are legally binding.</p> <p>Governmental agencies have been created to protect consumer safety and against fraud and deception:</p>
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	<ul style="list-style-type: none"> • Consumer Product Safety Commission—Ensures safety of products other than food, drugs, and cosmetics • Food and Drug Administration— Ensures the safety of food, drugs, and cosmetics <p>The government can intervene in labor management relations and can regulate competition in the marketplace.</p>
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GOVT 16d	<p>The student will demonstrate knowledge of the role of government in the Virginia and United States economies by <u>d) understanding the types and purposes of taxation.</u></p> <p>Essential Understandings Identified <u>The governments of Virginia and the United States finance the operation of government through the taxes that are collected from individuals and corporations.</u></p> <p>Essential Questions Identified <u>What are the purposes of taxes collected by government on the state and federal levels?</u></p> <p><u>What types of taxes are collected by both levels of government?</u></p> <p>Essential Knowledge Identified <u>Power to Tax</u></p> <ul style="list-style-type: none"> • <u>First among the expressed powers of Congress</u> • <u>Income taxes paid by individuals and corporations are the largest single source of revenue today</u> • <u>The power to tax is used to raise revenue; it is also used to regulate or discourage some activities</u> <p><u>Types of Taxes</u></p> <ul style="list-style-type: none"> • <u>Income tax – 16th Amendment</u> • <u>Individual income tax</u> • <u>Corporate income tax</u> • <u>Payroll taxes</u> • <u>Customs duties</u> • <u>Sales tax</u> • <u>Real and personal property taxes</u> • <u>Proportional tax (flat tax)</u>
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GOVT.17f	<p>The student will demonstrate knowledge of the role of personal character traits that facilitate thoughtful and effective participation in civic life by <u>f) practicing financial literacy.</u></p> <p>Essential Knowledge Identified Characteristics of good citizens</p> <ul style="list-style-type: none"> • <u>Financial responsibility</u>
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GOVT 18a, 18g	<p>The student will demonstrate that thoughtful and effective participation in civic life is characterized by</p> <p>a) obeying the law and paying taxes; g) <u>practicing personal and fiscal responsibility.</u></p> <p>Essential Knowledge Identified Duties of responsible citizens</p> <ul style="list-style-type: none"> • To pay taxes • <u>To practice personal and fiscal responsibility</u>
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