

Massachusetts Standards- Economics Grade 12	Dream of a Nation Chapter(s)											
	1. A People Centered and Accountable Government	2. Citizen Stewardship	3. Creating a Stable and Equitable Economy	4. A New Media That Informs and Empowers	5. Aiming for the Best in Education	6. Re-Powering America	7. Improving Health and Avoiding Alarming Trends	8. Ending Poverty and Building Common Wealth	9. Re-Imaging Business	10. Strengthening Communities	11. Waging Peace	12. A Nation That Shines
E.1.1 Define each of the productive resources (natural, human, capital) and explain why they are necessary for the production of goods and services.		❖				❖		❖	❖	❖		
E.1.2 Explain how consumers and producers confront the condition of scarcity, by making choices that involve opportunity costs and tradeoffs.								❖		❖	❖	
E.1.3 Identify and explain the broad goals of economic policy such as freedom, efficiency, equity, security, growth, price stability, and full employment.		❖	❖					❖	❖	❖	❖	
E.2.4 Recognize that consumers ultimately determine what is produced in a market economy (consumer sovereignty).	❖		❖					❖	❖		❖	
E.2.7 Identify factors that cause changes in market supply and demand.	❖	❖	❖	❖		❖	❖	❖	❖	❖	❖	❖
E.2.9 Demonstrate how government wage and price controls, such as rent controls and minimum wage laws, create shortages and surpluses.								❖		❖		

E.3.3 Recognize the role of economic institutions, such as labor unions and nonprofit organizations in market economies.	❖	❖	❖	❖	❖	❖	❖	❖	❖	❖		❖
E.3.8 Illustrate how investment in research and development, equipment and technology, and training of workers increases productivity.		❖	❖			❖		❖	❖	❖		
E.3.9 Describe how the earnings of workers are determined by the market value of the product produced and workers' productivity.								❖		❖		
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E.4.1 Explain how government responds to perceived social needs by providing public goods and services.	❖	❖	❖	❖	❖	❖	❖	❖		❖	❖	❖
E.4.2 Describe major revenue and expenditure categories and their respective proportions of local, state, and federal budgets.	❖				❖			❖		❖	❖	
E.4.6 Describe how the costs of government policies may exceed their benefits because social or political goals other than economic efficiency are being pursued.	❖	❖	❖		❖	❖	❖	❖	❖	❖	❖	❖
E.4.7 Predict how changes in federal spending and taxation would affect budget deficits and surpluses and the national debt.			❖		❖			❖		❖	❖	

E.4.9 Analyze how the government uses taxing and spending decisions (fiscal policy) to promote price stability, full employment, and economic growth.	❖		❖					❖			❖	
E.5.1 Define aggregate supply and demand, Gross Domestic Product (GDP), economic growth, unemployment, and inflation.			❖					❖		❖	❖	
E.5.5 Recognize that a country's overall level of income, employment, and prices are determined by the individual spending and production decisions of households, firms, and government.			❖		❖			❖		❖	❖	