

Economics

The economics course provides students with a basic foundation in the field of economics. The course has five sections: fundamental concepts, microeconomics, macroeconomics, international economics, and personal finance. In each area, students are introduced to major concepts and theories concerning that aspect of economics.

Fundamental Economic Concepts

SSCE1 The student will explain why limited productive resources and unlimited wants result in scarcity, opportunity costs, and tradeoffs for individuals, businesses, and governments.

- Define scarcity as a basic condition that exists when unlimited wants exceed limited productive resources.
- Define and give examples of productive resources (e.g., land (natural), labor (human), capital (capital goods), entrepreneurship).
- List a variety of strategies for allocating scarce resources.
- Define opportunity cost as the next best alternative given up when individuals, businesses, and governments confront scarcity by making decisions.

SSCE2 The student will give examples of how rational decision making entails comparing the marginal benefits and the marginal costs of an action.

- Illustrate by means of a production possibilities curve the trade-offs between two options.
- Explain that rational decisions occur when the marginal benefits of an action equal or exceed the marginal costs.

SSCE3 The student will explain how specialization and voluntary exchange between buyers and sellers increase the satisfaction of both parties.

- Give examples of how individuals and businesses specialize.
- Explain that both parties gain as a result of voluntary, non-forced trade exchange.

SSCE4 The student will compare and contrast different economic systems and explain how they answer the three basic economic questions of what to produce, how to produce, and for whom to produce.

- Compare command, market, and mixed economic systems with regard to private ownership, profit motive, consumer sovereignty, competition, and government regulation.
- Evaluate how well each type of system answers the three economic questions and meets the broad-based and economic goals of freedom, security, equity, growth, efficiency, and stability.