

## Grade 12

### **Principles of Economics**

#### **12.1 Students understand common economic terms and concepts and economic reasoning.**

1. Examine the causal relationship between scarcity and the need for choices.
2. Explain opportunity cost and marginal benefit and marginal cost.
3. Identify the difference between monetary and non monetary incentives and how changes in incentives cause changes in behavior.
4. Evaluate the role of private property as an incentive in conserving and improving scarce resources, including renewable and nonrenewable natural resources.
5. Analyze the role of a market economy in establishing and preserving political and personal liberty (e.g., through the works of Adam Smith).

#### **12.2 Students analyze the elements of America's market economy in a global setting.**

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**12.4 Students analyze the elements of the U.S. labor market in a global setting.**

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