Unit 2: Microeconomics

Content Area: **Social Studies**
Course(s):
Time Period: **Marking Period 1**
Length: **3-4 Weeks**
Status: **Published**

Summary

Students in the Economics course study how society meets unlimited wants with limited resources and how the resulting goods and services are distributed. The curriculum includes a study of principal economic concepts at both the micro and macro levels; fiscal and monetary policy; and how students can act in financially responsible ways. In order to provide students with a comprehensive understanding, current events and real world examples are highlighted as case studies of economic concepts.

This unit is part of the larger aforementioned course sequence and specifically focuses on microeconomics where students will understand that microeconomics is the study of how individuals and firms make decisions and the impact those decisions have on the economy. Students will understand that factors other than price cause shifts in supply and demand, and that government interference can affect supply and demand, preventing markets from reaching equilibrium. By the end of this unit, students will be able to graph supply and demand graphs including changes to curves, elasticity of demand, surpluses and shortages, and price controls. Students will also be able to speculate the effects of changes in supply and demand curves and make recommendations based on their conclusions. Throughout the unit, students are encouraged to apply their understanding of laws and concepts to current events and their personal lives.

This course fulfills the 2.5 credits in financial literacy coursework required by both Cranford High School and the state of New Jersey for graduation.

Revision Date: August 2023

Standards

6.2.12.EconGE.6.a: Evaluate efforts of governmental, non-governmental, and international organizations to address economic imbalances, social inequalities, climate change, health and/or illiteracy.

6.1.12.EconEM.2.c: Analyze how technological developments transformed the economy, created international markets, and affected the environment in New Jersey and the nation.

6.3.12.EconGE.1: Participate in a simulated meeting (e.g., President's Council, World Bank, International Monetary Fund (IMF), research evidence from multiple sources about an economic problem (e.g., inflation,

unemployment, deficit), and develop a plan of action.

9.1.12.EG.6: Analyze the rights and responsibilities of buyers and sellers under consumer protection laws.

9.2.12.CAP.13: Analyze how the economic, social, and political conditions of a time period can affect the labor market.

9.4.12.CI.1: Demonstrate the ability to reflect, analyze, and use creative skills and ideas (e.g., 1.1.12prof.CR3a).

9.4.12.CT.2: Explain the potential benefits of collaborating to enhance critical thinking and problem solving (e.g., 1.3E.12profCR3.a).

This unit is aligned to the English Language Development (ELD) standards for kindergarten through grade 12 since multilingual learners develop content and language concurrently, with academic content in a classroom where the language of instruction is English. As a result, language learning and language as a means for learning academic content are interchangeable. The following ELD standards are relevant for this unit and course of study:

- Standard 1: Language for Social and Instructional Purposes: English language learners communicate for social and instructional purposes within the school setting.
- Standard 5: Language for Social Studies: English language learners communicate information, ideas and concepts necessary for academic success in the content area of Social Studies.

The standards in this unit reflect a developmental progression across grade levels and make interdisciplinary connections across content areas including the humanities, technology, career readiness, cultural awareness, and global citizenship.

Essential Questions and Enduring Understandings

Essential Questions:

- How do the laws of supply and demand impact production and consumption?

- To what extent should the government interfere with the laws of supply and demand?

Enduring Understandings:

- Price determines quantity demanded and quantity supplied, while factors other than price can cause a shift in supply and demand.
- Government interference can affect supply and demand and prevent markets from reaching equilibrium.

Objectives

Students will know:

- Terms, concepts and individuals (including, but not limited to): Law of Supply, Law of Demand, Quantity Supplied, Quantity Demanded, Equilibrium, Price, Quantity, Price Controls, Price Floor, Price Ceiling, Elasticity of Demand, Inelastic, Elastic, Shortage, Surplus, Substitutes, Compliments, Schedule, Market, Normal Goods, Inferior Goods, Price System, Fiscally Conservative, Milton Friedman
- Supply and demand curves serve as representations of market forces
- The intersection of supply and demand is equilibrium
- Causes of shifts in supply.
- Causes of shifts in demand.
- Elasticity and Inelasticity and their effects on consumer behavior.
- The relationship between income and purchase of inferior and normal goods.
- The price system and how it allows for consumers and producers to communicate.
- The extent that price floors and price ceilings impact markets and the economy.
- Producers and consumers act based on self interest in a free market.

Students will be skilled at:

- Interpreting tables, graphs, and charts (supply/demand schedules, supply/demand graphs).
- Creating tables, graphs and charts (supply/demand schedules, supply/demand graphs).
- Graphing changes in supply and demand.

- Creating a demand/supply schedule.
- Recognizing the determinants that cause shifts in demand/supply.
- Identifying and explaining market equilibrium.
- Determining if a good is elastic or inelastic.
- Explaining the impact of government-regulated price controls on the market system.
- Evaluating the impact of shifts in supply and demand on the market system.
- Explaining how scarcity impacts supply and demand.
- Applying laws and fundamental concepts to everyday situations.

Learning Plan

This unit includes, but is not limited to, the following learning strategies:

Market for Wheat Simulation: Students will act as either buyers or sellers in a market for wheat, where students have cards indicating a price they should aim to buy or sell near. Students' goal is to make as much of a profit based on the number of sales they are able to make each round within their role. This activity serves as an introductory lesson to the market system and supply and demand.

Graphing Practice Problems: Students will practice graphing supply and demand curves using supply/demand schedules. The instructor will model how to graph before students practice independently and collaboratively.

Current Events Supply/Demand Shifts Introductory Activity: Students will examine as a class one current event related to shifts in supply or demand. Students will be broken up into groups of consumers and producers and will create lists on what, other than price, would cause a change in supply or demand. Class will debrief findings and connect to causes in shifts to supply or demand

Shifts in Supply and Demand: Students will analyze different events in which they have to identify and explain whether supply or demand is shifting, and whether the curve is an increase or decrease. Students will practice graphing changes to supply and demand curves and their impact on equilibrium.

DIY Curve Shifters: Students will use examples from their own lives to illustrate shifts in supply and

demand. Students will explain what factor contributed to the shift and how the shift is seen on a graph.

Price Floors/Price Ceilings Analysis: Students will look at present day examples of price floors and price ceilings (Rent Control, Produce Prices, Minimum Wage) and explain their impact on producers and consumers.

Inquiry on Price Controls: Students will analyze arguments for and against price controls and draw conclusions on the extent to which they are necessary and helpful in our economy. They will then decide: to what extent are price controls helpful to consumers and producers?

Inquiry Activity- Concert Tickets: Students will attempt to address the question, "Why are ticket prices so high? What happens when prices are not at equilibrium?" Students will watch a video on Concert prices and listen to a 5-minute Planet Money podcast to address how artists attempt to price control, the effects of ticket scalpers on the market, and the funding of concerts. Students will also take part in an independent investigation of concert tickets for an artist of their interest to assess how the issue may impact their lives.

Price System Present Day Connection: Students will examine the impact of the price system on consumers through present day examples, such as the War in Ukraine, and express their understanding of these changes through graphing and written analysis.

Price Elasticity Practice: Students will identify goods and services that are elastic and inelastic, explaining why some goods experience less of a shift in quantity demanded when there are large changes to price. Students will identify goods and services in their own lives that are elastic or inelastic.

Monsters Inc. Analysis: Students will watch clips from Monsters Inc. where they connect to microeconomic issues of shortages, price controls, price elasticity, and changes in inputs. Students will reflect on how the film relates to economic concepts and graph concepts and changes to the economic problems in the movies.

Note: Other strategies to address the learning objectives may include, but are not limited to direct instruction, self and peer review, think-pair-share activities, creating visual representations, debates, film analysis, Socratic seminars, small group discussions, simulations, mapping activities, jigsaw activities, gallery walks, web quests, and/or inquiry or problem based learning projects.

Assessment

When taking a Social Studies course, students demonstrate differentiated proficiency according to their ability to answer the essential questions through formative and summative assessments. Many of the performance

tasks below can be implemented as formative and/or summative assessments. As teachers strive for students to demonstrate proficiency, they will need to create additional or alternative assessments based on demonstration or absence of skill.

Formative Assessments:

- Do Nows
- Exit Slips
- Homework
- Classwork
- Quizzes
- DIY Curve Shifters
- Supply/Demand Shift Practice
- Price Floors/Price Ceiling Analysis
- Price Elasticity Practice
- Monsters Inc. Analysis

Summative Assessments:

- Supply/Demand Basics Quiz
- Microeconomics Test (Multiple Choice, Graphing with Schedules/Word Problems, Short Answer)

Benchmark Assessments:

- Shifts in Supply/Demand Practice Packet

Alternative Assessment:

- Economics in the Real World Portfolio: Students must find personal or present day connections to ten economic topics and principles related to the unit, providing evidence to how it reflects economic principles and explaining the significance of the topic to the study of economics. Students will graph concepts when applicable.

Materials

The design of this course allows for the integration of a variety of instructional, supplemental, and intervention materials that support student learners at all levels in the school and home environments. Associated web content and media sources are infused into the unit as applicable and available In addition to the materials below, the following link connects to district approved textbooks and resources utilized in this course: Core Book List.

The following are approved resources that teachers can include to further unit related objectives:

- I, Pencil
- After Reading Fast Food Nation, You May Want to Hold The Fries (Shifts in Supply and Demand)
- Market For Wheat Simulation: EconEd
- Monsters Inc. Movie
- Bernie Sanders Rent Control Video
- Principles of Economics (2nd Edition)- Online Ebook from Rice University's OpenStax Exchange
- Why Concert Tickets are so Expensive Prices: Billboard
- Kid Rock Takes on the Scalpers: NPR
- What Happens When Prices are Not at Equilibrium?: EconEd
- The Wedding for Ms. Supply and Mr. Demand: EconEd

Any additional resources that are not included in this list will be presented to and reviewed by the supervisor before being included in lesson plans. This ensures resources are reviewed and vetted for relevance and appropriateness prior to implementation.

Suggested Strategies for Modification

This link includes content specific accommodations and modifications for all populations:

https://docs.google.com/spreadsheets/d/1Pp6EJOCsFz5o4-opzsXpQDQoa6aClW-bkRGPDRHXVrk/edit?usp=sharing

These additional strategies are helpful when learning Economics content and skills:

- Bolded terms in directions.
- Reading texts aloud for students to assist in comprehension and analysis.
- Providing opportunities for text-to-speech for written responses.
- Use visual presentations of all materials to include graphic organizers for written components.
- Provide step-by-step instructions for economic problems that require calculation or graphing
- Modeling of practices to support student understanding.