

# 06\_Trade and Specialization

Content Area: **Social Studies**  
Course(s):  
Time Period: **Semester**  
Length: **4 weeks**  
Status: **Published**

## **General Overview, Course Description or Course Philosophy**

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### Economics CP

In Economics, students will develop skills and strategies that promote personal and financial responsibility related to financial planning, savings, investment, and charitable giving in the global economy. Students will understand how economies around the world interact and how the global economy can impact the lives of everyday people.

## **OBJECTIVES, ESSENTIAL QUESTIONS, ENDURING UNDERSTANDINGS**

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### **Objective(s):**

- Students will learn that trade is a voluntary endeavor where all groups expect to gain something
- Students will determine how different groups decide what to produce
- Students will learn that opportunity cost plays a role in what different entities decide to produce for trade
- Students will learn what competitive advantage is and how it is applied in international trade

### **Essential Question(s):**

- How does trade occur?
- How do different groups decide what to trade and with whom to trade?
- What is the process of specialization?
- How do groups use opportunity cost to determine specialization?
- What is competitive advantage?

### **Enduring Understanding(s):**

- Students will understand that trade is the result of voluntary exchanges between groups.
- Students will understand that all parties expect to gain when trading

- Students will understand that individuals, institutions, and nations specialize what they can produce
- Students will understand that specialization is determined by what can be produced at the lowest cost to trade with others
- Students will understand that opportunity cost plays a role in specialization and trade
- Students will understand that international trade is based on competitive advantage

## **CONTENT AREA STANDARDS**

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ECON.12.5.1	Voluntary exchange occurs only when all participating parties expect to gain. This is true for trade among individuals or organizations within a nation, and among individuals or organizations in different nations.
ECON.12.5.1.1	Imports are paid for by exports, savings or borrowing.
ECON.12.5.1.2	When imports are restricted by public policies, consumers pay higher prices and job opportunities and profits in exporting firms may decrease.
ECON.12.6.1	When individuals, regions, and nations specialize in what they can produce at the lowest cost and then trade with others, both production and consumption increase.
ECON.12.6.1.1	Individuals and nations have a comparative advantage in the production of goods or services if they can produce a product at a lower opportunity cost than other individuals or nations.
ECON.12.6.1.2	International trade stems mainly from factors that confer comparative advantage, including international differences in the availability of productive resources and differences in relative prices.
ECON.12.6.1.3	Transaction costs are costs (not to be confused with the price of the good or service) that are associated with the purchase of a good or service, such as the cost of locating buyers or sellers, negotiating the terms of an exchange, and insuring that the exchange occurs on the agreed upon terms. When transaction costs decrease, trade increases.
ECON.12.6.1.4	The goods or services that an individual, region, or nation can produce at lowest opportunity cost depend on many factors (which may vary over time), including available resources, technology, and political and economic institutions.

## **RELATED STANDARDS (Technology, 21st Century Life & Careers, ELA Companion Standards are Required)**

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LA.RI.11-12.2	Determine two or more central ideas of a text, and analyze their development and how they interact to provide a complex analysis; provide an objective summary of the text.
LA.RI.11-12.3	Analyze a complex set of ideas or sequence of events and explain how specific individuals, ideas, or events interact and develop over the course of the text.
LA.W.11-12.1	Write arguments to support claims in an analysis of substantive topics or texts, using valid reasoning and relevant and sufficient evidence.
LA.W.11-12.2	Write informative/explanatory texts to examine and convey complex ideas, concepts, and information clearly and accurately through the effective selection, organization, and analysis of content.

LA.W.11-12.7	Conduct short as well as more sustained research projects to answer a question (including a self-generated question) or solve a problem; narrow or broaden the inquiry when appropriate; synthesize multiple sources on the subject, demonstrating understanding of the subject under investigation.
LA.W.11-12.8	Gather relevant information from multiple authoritative print and digital sources, using advanced searches effectively; assess the strengths and limitations of each source in terms of the task, purpose, and audience; integrate information into the text selectively to maintain the flow of ideas, avoiding plagiarism and overreliance on any one source and following a standard format for citation. (MLA or APA Style Manuals).
TECH.9.4.12.CI.1	Demonstrate the ability to reflect, analyze, and use creative skills and ideas (e.g., 1.1.12prof.CR3a).
TECH.9.4.12.CT.1	Identify problem-solving strategies used in the development of an innovative product or practice (e.g., 1.1.12acc.C1b, 2.2.12.PF.3).
TECH.9.4.12.IML.1	Compare search browsers and recognize features that allow for filtering of information.
TECH.9.4.12.IML.2	Evaluate digital sources for timeliness, accuracy, perspective, credibility of the source, and relevance of information, in media, data, or other resources (e.g., NJLSA.W8, Social Studies Practice: Gathering and Evaluating Sources).

## **STUDENT LEARNING TARGETS**

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Refer to the 'Declarative Knowledge' and 'Procedural Knowledge' sections.

### **Declarative Knowledge**

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**Students will understand that:**

- Trade is a voluntary endeavor where all groups expect to gain something
- Different groups decide what to produce
- Opportunity cost plays a role in what different entities decide to produce for trade
- International trade is based on competitive advantage

### **Procedural Knowledge**

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**Students will be able to:**

- Determine how different groups decide what to produce
- Examine how different groups decide what to trade and with whom to trade with
- Explain opportunity cost
- Determine the role that opportunity cost plays when deciding what to produce and with whom to trade
- Explain competitive advantage

- Examine how competitive advantage impacts international trade

## **EVIDENCE OF LEARNING**

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Refer to the 'Formative Assessments' and 'Summative Assessments' sections.

## **Alternate Assessments**

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- Portfolios
- Verbal Assessment (instead of written)
- Multiple choice
- Modified Rubrics
- Performance Based Assessments

## **Benchmark Assessments**

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- Benchmark Assessments using Pear Assessments three times per year

## **Formative Assessments**

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**For this unit, formative assessments can/will include:**

- Debates
- Polls
- Video response questions
- Reading assignments with questions
- Exit tickets
- Nearpod

## **Summative Assessments**

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**For this unit, summative assessments can/will include:**

- Essays
- Teacher created quizzes/tests
- Collaborative projects

## **RESOURCES (Instructional, Supplemental, Intervention Materials)**

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**Resources Include:**

- <https://nearpod.com>
- polleverywhere.com
- <http://www.investopedia.com/university/economics/>
- <https://www.fte.org/teacher-resources/lesson-plans>
- Country project
- Google
- News Articles
- Magazine Articles
- Forbes.com

## **INTERDISCIPLINARY CONNECTIONS**

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### **Technology/Multimedia**

Video case studies

Audio/visual media analysis

Research based writing

Google

Media literacy

Educational tech applications

## **Math**

Financial/Economic/Business/Entrepreneurial Literacy

## **English Language Arts**

Speech/Debate

Informational writing

## **Career Readiness**

Employ valid and reliable research strategies.

Utilize critical thinking to make sense of problems and persevere in solving them.

Literary responses (critical)

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## **ACCOMMODATIONS & MODIFICATIONS FOR SUBGROUPS**

See link to Accommodations & Modifications document in course folder.