



Economics, in the context of the K-12 Social Studies Program in North Carolina is, at its foundation, focused on making sound decisions both on an individual level as well as to support the common good. In the elementary grades, emphasis should be placed on developing a basic understanding of such economic concepts between needs and wants, exchange of goods and services, allocation of resources and effective decision-making. During middle grades, students gain a greater understanding of economic principles by applying basic concepts to decision-making at the personal, local, state, national, and international levels. When students reach high school, they begin to refine their economic understanding by applying knowledge and skills to determine how individuals, governments, and economic institutions function that leads to economic growth or decline. By the time students graduate from high school, they should have acquired the requisite knowledge, skills, and understandings to become an effective citizen who could be considered economically fit for civic life.

K-12 Social Studies Essential Standards

Economic and Personal Financial Literacy Strand

In order to enable students to reach the level of economic literacy that is required to be fully engaged citizens, our K-12 Social Studies Program must be designed with that end in mind. At the state level, there are two things that will assist with this process; legislation from the NC General Assembly and new standards adopted by the NC State Board of Education (NCSBE).

In August 2009, *An Act Requiring “Credit Education” For All Students* was signed into law. When the NCSBE adopted Essential Standards for Social Studies in December 2010, the new standards contained a greater emphasis on economics and financial literacy education, beginning in kindergarten. Each grade level, K-8, has included at least one essential standard focused on economics with at least one clarifying objective focused on financial literacy. At the high school level, the American History: Founding Principles, Civics and Economics course (formerly, Civics and Economics) while always focused on teaching economics, now includes standards for personal finance and continues to be a required course for high school graduation.

This document contains the standards that support the teaching of Economics & Personal Financial Literacy in grade Kindergarten through Grade 8 and the high school courses required for graduation. You may access the entire Standard Course of Study for K-12 Social Studies at: <http://www.ncpublicschools.org/acre/standards/new-standards/#social>. Additionally, you will find links to resources and implications for teaching and learning. It is our desire that this document serve as means to assist districts and schools with better develop in students economic ways of thinking and doing.

Elementary Social Studies

During the early elementary grades, students begin to gain a foundational understanding of economics with the introduction of key concepts such as needs and wants, goods and services, spending, saving, borrowing, and giving in the context of self, family, school, and community.

Kindergarten

	Essential Standard	Clarifying Objectives	
K.E.1	Understand basic economic concepts.	K.E.1.1	Explain how families have needs and wants .
		K.E.1.2	Explain how jobs help people meet their needs and wants .

First Grade

	Essential Standard	Clarifying Objectives	
1.E.1	Understand basic economic concepts.	1.E.1.1	Summarize the various ways in which people earn and use money for goods and services .
		1.E.1.2	Identify examples of goods and services in the home, school and community .
		1.E.1.3	Explain how supply and demand affects the choices families and communities make.

Second Grade

	Essential Standard	Clarifying Objectives	
2.E.1	Understand basic economic concepts.	2.E.1.1	Give examples of ways in which businesses in the community meet the needs and wants of consumers .
		2.E.1.2	Explain the roles and impact producers and consumers have on the economy .
		2.E.1.3	Summarize the concept of supply and demand .
		2.E.1.4	Explain why people and countries around the world trade for goods and services .
		2.E.1.5	Explain how money is used for saving, spending, borrowing and giving .
		2.E.1.6	Summarize the role of financial institutions relative to savings .

In the upper elementary grades, students begin to understand concepts such as entrepreneurship, economic decision-making, economic development, market economy, and choice as it relates to specific locations e.g., city, state, nation and region.

Third Grade

	Essential Standard	Clarifying Objectives	
3.E.1	Understand how the location of regions affects activity in a market economy.	3.E.1.1	Explain how location impacts supply and demand .
		3.E.1.2	Explain how locations of regions and natural resources influence economic development (industries developed around natural resources, rivers and coastal towns).
3.E.2	Understand entrepreneurship in a market economy.	3.E.2.1	Explain why people become entrepreneurs .
		3.E.2.2	Give examples of entrepreneurship in various regions of our state .

Fourth Grade

	Essential Standard	Clarifying Objectives	
4.E.1	Understand how a market economy impacts life in North Carolina.	4.E.1.1	Understand the basic concepts of a market economy : price, supply, demand, scarcity, productivity and entrepreneurship .
		4.E.1.2	Understand how scarcity and choice in a market economy impacts business decisions .
		4.E.1.3	Analyze the historical and contemporary role that major North Carolina industries have played in the state, nation and world .
		4.E.1.4	Explain the impact of entrepreneurship on the economy of North Carolina.
4.E.2	Understand the economic factors when making personal choices.	4.E.2.1	Explain how personal financial decisions such as spending, saving and paying taxes can positively and/or negatively affect everyday life .
		4.E.2.2	Explain how scarcity of personal financial resources affect the choices people make based on their wants and needs .

Fifth Grade

	Essential Standard	Clarifying Objectives	
5.E.1	Understand how a market economy impacts life in the United States.	5.E.1.1	Summarize the role of international trade between the United States and other countries through Reconstruction.
		5.E.1.2	Explain the impact of production, specialization, technology and division of labor on the economic growth of the United States.
5.E.2	Understand that personal choices result in benefits or consequences.	5.E.2.1	Explain the importance of developing a basic budget for spending and saving .
		5.E.2.2	Evaluate the costs and benefits of spending, borrowing and saving .

Middle Grades Social Studies

By the time students enter middle grades, they should have the request factual knowledge, conceptual understandings, and disciplinary skills to apply economic concepts and tools through a historical lens. Students will begin the middle school experience by grabbing with a variety of economic systems from early civilizations to contemporary times. Some key understandings include: (1) economic decision-making at the personal, local, state, and global levels may have individual and societal implications for quality of life; and (2) competition over scare resources leads to conflict. Students will also begin to use economic indicators such as unemployment data, and inflation to evaluate the growth and stability of the economy.

Sixth Grade

	Essential Standard	Clarifying Objectives	
6.E.1	Understand how the physical environment and human interaction affected the economic activities of various civilizations, societies and regions.	6.E.1.1	Explain how conflict , compromise and negotiation over the availability of resources (natural, human and capital) impacted the economic development of various civilizations , societies and regions (e.g., competition for scarce resources, unequal distribution of wealth and the emergence of powerful trading networks).
		6.E.1.2	Explain how quality of life is impacted by economic choices of civilizations , societies and regions .

Seventh Grade

	Essential Standard	Clarifying Objectives	
7.E.1	Understand the economic activities of modern societies and regions.	7.E.1.1	Explain how competition for resources affects the economic relationship among nations (e.g. colonialism, imperialism, globalization and interdependence).
		7.E.1.2	Explain the implications of economic decisions in national and international affairs (e.g. OPEC, NAFTA, G20, WTO, EU and economic alliances).
		7.E.1.3	Summarize the main characteristics of various economic systems (e.g. capitalism, socialism, communism; market, mixed, command and traditional economies).
		7.E.1.4	Explain how personal financial decision-making impacts quality of life (e.g. credit, savings, investing, borrowing and giving).

Eighth Grade

	Essential Standard	Clarifying Objectives	
8.E.1	Understand the economic activities of North Carolina and the United States.	8.E.1.1	Explain how conflict , cooperation , and competition influenced periods of economic growth and decline (e.g. economic depressions and recessions).
		8.E.1.2	Use economic indicators (e.g. GDP, inflation and unemployment) to evaluate the growth and stability of the economy of North Carolina and the United States.
		8.E.1.3	Explain how quality of life is impacted by personal financial choices (e.g. credit, savings, investing, borrowing and giving).

High School Social Studies

While American History: The Founding Principles, Civics and Economics (“The Founding Principles”) is the course most closely aligns to the teaching of economics, there are economics content, concepts, understandings, and skills required to understand the other three required courses as well.

As you can see from the concepts highlighted in red, Economics and Personal Finance is deeply embedded in The Founding Principles course. Regardless of how you sequence the high school courses, students should have a basic foundations of economics before they take this course.

American History: The Founding Principles, Civics, and Economics

Essential Standard		Clarifying Objectives	
CE.PFL.1	Analyze the concepts and factors that enable individuals to make informed financial decisions for effective resource planning.	CE.PFL.1.1	Explain how education, income, career, and life choices impact an individual’s financial plan and goals (e.g., job, wage, salary, college/university, community college, military, workforce, skill development, social security, entrepreneur, rent, mortgage, etc.).
		CE.PFL.1.2	Explain how fiscally responsible individuals create and manage a personal budget that is inclusive of income, taxes, gross and net pay, giving, fixed and variable expenses and retirement (e.g., budget, financial plan, money management, saving and investing plan, etc.).
		CE.PFL.1.3	Analyze how managing a checking and savings account contributes to financial well-being (e.g., deposits, withdrawals, transfers, automated transactions, fees, etc.).
		CE.PFL.1.4	Summarize how debt management and creditworthiness impact an individual’s ability to become responsible consumers and borrowers (e.g., credit card management, monitoring percentage rates and personal credit reports, analyzing loan details, keeping and maintaining records, etc.).
		CE.PFL.1.5	Analyze how fiscally responsible individuals save and invest to meet financial goals (e.g., investment, stock market, bonds, mutual funds, etc.).
		CE.PFL.1.6	Compare various investing strategies and tax implications for their potential to build wealth (e.g., individual stocks and bonds with investing in stock, giving, bonds, mutual funds, retirement plans, etc.).

Essential Standard		Clarifying Objectives	
CE.PFL.2		CE.PFL.2.1	Explain how consumer protection laws and government regulation contribute to the empowerment of the individual (e.g., consumer credit laws, regulation, FTC-Federal Trade Commission, protection agencies, etc.).



Understand how risk management strategies empower and protect consumers.	CE.PFL.2.2	Summarize various types of fraudulent solicitation and business practices (e.g., identity theft, personal information disclosure, online scams, Ponzi schemes, investment scams, internet fraud, etc.).
	CE.PFL.2.3	Summarize ways consumers can protect themselves from fraudulent and deceptive practices (e.g., do not call lists, reading the fine print, terms and conditions, personal information disclosure, investment protection laws, fees, etc.).
	CE.PFL.2.4	Classify the various types of insurance and estate planning including the benefits and consequences (e.g., car, health, renters, life, liability, travel, disability, long-term care, natural disaster, etc.).
	CE.PFL.2.5	Analyze how fiscally responsible individuals save and invest to meet financial goals (e.g., investment, stock market, bonds, mutual funds, etc.).

Essential Standard		Clarifying Objectives	
CE.E.1	Understand economies, markets and the role economic factors play in making economic decisions.	CE.E.1.1	Compare how individuals and governments utilize scarce resources (e.g., human, natural and capital) in traditional, command, market and mixed economies .
		CE.E.1.2	Analyze a market economy in terms of economic characteristics , the roles they play in decision-making and the importance of each role (e.g., private property, free enterprise, circular flow, competition and profit motive, and allocation of resources via the price system).
		CE.E.1.3	Explain how supply and demand determine equilibrium price and quantity produced (e.g., any market example –apples, tires, etc.).
		CE.E.1.4	Analyze the ways in which incentives and profits influence what is produced and distributed in a market system (e.g., supply, demand, What to Produce?, How to Produce It?, How Much to Produce?, For Whom To Produce It?, free enterprise, etc.).
		CE.E.1.5	Compare how various market structures affect decisions made in a market economy (e.g., monopoly, oligopoly, monopolistic competition, pure competition, etc.).
		CE.E.1.6	Compare national, state and local economic activity (e.g., resources, wages, production, employment, etc.).

Essential Standard		Clarifying Objectives	
CE.E.2	Understand factors of economic interdependence and their impact on nations.	CE.E.2.1	Explain the basic concepts of trade (e.g., including absolute and comparative advantage, exchange rates, balance of trade, gains from trade, etc.).
		CE.E.2.2	Summarize how nations specialize and become interdependent through trade (e.g., trade restrictions and government policy).
		CE.E.2.3	Explain the impact of government policies on international trade (e.g., tariffs, quotas, sanctions, subsidies, banking, embargos, etc.).
		CE.E.2.4	Analyze the role of NC and the US in the world economy (e.g., furniture industry, tourism, fishing, etc.).

	Essential Standard	Clarifying Objectives	
CE.E.3	Analyze the role of government and economic institutions in developing and implementing economic stabilization policies in the U.S.	CE.E.3.1	Summarize basic macroeconomic indicators and how they vary over the course of a business cycle (e.g., gross domestic product, unemployment, consumer price index, etc.).
		CE.E.3.2	Explain how fiscal policy and the monetary policy influence overall levels of employment, interest rates, production, price level and economic growth (e.g., business cycle, standard of living, recession, depression, Consumer Price Index, etc.).
		CE.E.3.3	Analyze organizations in terms of their roles and functions in the United States economy (e.g., banks, labor unions, federal reserve, nonprofit organizations and cooperatives, Wall Street, etc.).

While the three history courses are not specifically written to the Economics and Personal Financial Literacy strand, economic concepts are embedded throughout. Again, it is important that students have a basic understanding of economics that they should have acquired K-8, in order to understand the role that economics plays throughout history.

In this example from World History, the first Essential Standard focuses on applying the tools of a historian to understand history. When students add the lens of economics to this study, there are certain skills that both historians and economists have in common; namely identifying issues and problems of the past in order to make predictions about the future, interpreting and using data or evidence to support positions, and constructing arguments based on evidence. The same is true for American History I and II. Students will also begin to explore economic concepts in the context of the creation, development, and evolution of societies over time. You will find a sample of specific economic concepts highlighted in red.

World History

	Essential Standard	Clarifying Objectives	
WH.H.1	Apply the four interconnected dimensions of historical thinking to the Essential Standards for World History in order to understand the creation and development of societies/civilizations/nations over time.	WH.H.1.1	Use Chronological thinking to: 1. Identify the structure of a historical narrative or story: (its beginning, middle and end). 2. Interpret data presented in time lines and create time lines.
		WH.H.1.2	Use Historical Comprehension to: 1. Reconstruct the literal meaning of a historical passage. 2. Differentiate between historical facts and historical interpretations. 3. Analyze data in historical maps. 4. Analyze visual, literary and musical sources.

		WH.H.1.3	Use Historical Analysis and Interpretation to: 1. Identify issues and problems in the past. 2. Consider multiple perspectives of various peoples in the past. 3. Analyze cause-and-effect relationships and multiple causations. 4. Evaluate competing historical narratives and debates among historians. 5. Evaluate the influence of the past on contemporary issues.
		WH.H.1.4	Use Historical Research to: 1. Formulate historical questions. 2. Obtain historical data from a variety of sources. 3. Support interpretations with historical evidence. 4. Construct analytical essays using historical evidence to support arguments.

	Essential Standard	Clarifying Objectives	
WH.H.2	Analyze ancient civilizations and empires in terms of their development, growth and lasting impact.	WH.H.2.1	Compare how different geographic issues of the ancient period influenced settlement, trading networks and the sustainability of various ancient civilizations (e.g., flooding, Fertile Crescent, confluence, limited fertile lands, etc.).
		WH.H.2.6	Analyze the interaction between the Islamic world and Europe and Asia in terms of increased trade , enhanced technology innovation, and an impact on scientific thought and the arts.
		WH.H.2.7	Analyze the relationship between trade routes and the development and decline of major empires (e.g. Ghana, Mali, Songhai, Greece, Rome, China, Mughal, Mongol, Mesoamerica, Inca, etc.).
		WH.H.2.8	Compare the conditions , racial composition, and status of social classes, castes , and slaves in ancient societies and analyze changes in those elements.

Implications for Teaching & Learning:

Here are some things to consider for as you develop local curriculum to include instructional units and teaching and learning plans:

- Students should have the opportunity to grapple with complex economic issues.
 - For example: the use of compelling questions to guide an inquiry
 - NCDPI Social Studies wiki focused on inquiry:
<http://ssnces.ncdpi.wikispaces.net/Developing+Questions+and+Planning+Inquiries> : Should the federal government mandate a minimum wage?
 - C3 Teachers: <http://www.c3teachers.org/inquiries/> - Example of a kindergarten inquiry focused on Needs and Wants at

- Authentic student engagement
 - e.g., Stock Market game; NC Council on Economic Education: <http://www.nccee.org/academic-competitions>

Resources:

- Unpacking Documents: <http://ssnces.ncdpi.wikispaces.net/Essential+Standards+%26+Unpacking+Documents>
- NC Council on Economic Education: <http://www.nccee.org>
 - Instructional and Assessment resources
 - Student engagement tools
 - Source for professional learning opportunities
 - Online tools
- Jump\$tart Coalition: <http://www.jumpstart.org>
 - National Standards in K-12 Personal Finance Education: <http://www.jumpstart.org/national-standards.html>
- EverFi: <http://www.everfi.com/financial-education>
 - Instructional and Assessment resources
 - Source for professional learning opportunities
 - Online tools
- Wi\$e Financial – Certification program: <http://www.wise-ny.org/programs.htm>
- Foundations for Teaching Economics: Introducing Young Adults to An Economic Way of Thinking – <http://www.fte.org>
 - Student and Teacher Programs
 - Lesson Plans
- National Council for the Social Studies
 - C3 Framework: <http://www.socialstudies.org/c3>
 - C3 Teachers: <http://www.c3teachers.org>
 - <http://www.socialstudies.org/economics>
- Economics of Democracy: The Ben Bernanke Project (The Echo Foundation): <http://echofoundation.org>
- Voluntary National Content Standards in Economics (2010): <http://www.councilforeconed.org/wp/wp-content/uploads/2012/03/voluntary-national-content-standards-2010.pdf>