

Course: Financial Literacy
Unit #/ Unit Name: Unit #4, The Government's Role in the Economy

Year of Implementation: 2019-2020

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Stage One - Desired Results

Link(s) to New Jersey Student Learning Standards for this course:

<https://www.state.nj.us/education/aps/cccs/career/>

<https://www.state.nj.us/education/cccs/2014/career/CareerReadyPractices.pdf>

Unit Standards:

9.1.12.A.5 Analyze how the economic, social, and political conditions of a time period can affect the labor market

9.1.12.A.11 Explain the relationship between government programs and services and taxation.

9.1.12.A.12 Explain how compulsory government programs (e.g., Social Security, Medicare) provide insurance against some loss of income and benefits to eligible recipients.

9.1.12.D.12 Compare and contrast the past and present role of government in the financial industry and in the regulation of financial markets.

9.1.12.E.3 Determine how objective, accurate, and current financial information affects the prioritization of financial decisions

9.1.12.F.6 Explain the concept and forms of taxation and justify the use of taxation to fund public activities and initiatives.

CRP1. Act as a responsible and contributing citizen and employee.

CRP2. Apply appropriate academic and technical skills.

CRP4. Communicate clearly and effectively and with reason.

CRP5. Consider the environmental, social and economic impacts of decisions.

CRP6. Demonstrate creativity and innovation.

CRP7. Employ valid and reliable research strategies.

CRP8. Utilize critical thinking to make sense of problems and persevere in solving them.

CRP9. Model integrity, ethical leadership and effective management.

CRP11. Use technology to enhance productivity.

Transfer Goal(s): Students will be able to independently use their learning to...

understand why and when the government intervenes in the economy and evaluate government policies through an economic lens.

Enduring Understandings

Students will understand that. . .

EU1

the free market governs economic interactions throughout our society.

EU2

the free market is sometimes ineffective and needs government intervention to fix market failures.

Essential Questions

EU1

- How are prices determined?
- What is the perfect combination of efficiency and equity in an economy?

EU2

- Why does the free market not always work?
- How much should people be taxed in the United States?
- Do social programs benefit the American economy?
- How could the American economy be improved?

Knowledge

Students will know. . .

EU1

- Different types of market failures.
- When prices are inefficient due to market failures.
- The relationship between economic efficiency and economic equity.

EU2

- What market failures are present in the economy.
- The levels of wealth and income inequality in present-day United States.
- Current tax rates and their effect on the economy.

Skills

Students will be able to. . .

EU1

- Identify different types of real world market failures.
- Argue appropriate government policies to address market failures.
- Evaluate the tradeoff between efficiency and equity.

EU2

- Explain how market failures affect the economy.
- Analyze charts and graphs of economic trends.
- Argue the appropriate tax rates for the American economy.

- Examples of social programs.
- Former and current American economic policies.

- Evaluate different social programs effect on inequality and efficiency.
- Recommend economic policies for the country.

Stage Two - Assessment

Other Evidence:

- Quiz on government's roles in affecting efficiency and equity in America
- Written response to current events applying to class content
- Debate government policies on taxes, social programs, or market failures

Stage Three - Instruction

***Learning Plan:* Suggested Learning Activities to Include Differentiated Instruction and Interdisciplinary Connections: Each learning activity listed must be accompanied by a learning goal of A= Acquiring basic knowledge and skills, M= Making meaning and/or a T= Transfer.**

- View the documentary Inside Job and/or the movies The Big Short or Too Big to Fail to review The Great Recession and discuss the causes **(A, M) (EU1, EU2)**
- Define key vocabulary associated with the documentary Inside Job and/or The Big Short **(A) (EU1, EU2)**
- Write a report from the perspective of a government regulator on the causes of The Great Recession and what the government could have done differently (T) (EU1, EU2)
- Lecture/discussion on the government's role in efficiency regarding market failures such as monopolies, public goods, common resources, and/or externalities **(A) (EU1, EU2)**
- Critique a current economic market's potential market failures from the perspective of an economist and recommend appropriate government policies to address them (T) (EU1, EU2)
- Identify the different social programs the government provides and evaluate their impact on increasing equity and efficiency (A, M) (EU2)
- Compare social programs in the United States to other countries and argue whether we should add to or remove our current programs (A, M) (EU2)

- Research current tax rates in the United States and compare them to historical trends (A) (EU2)
- Debate current tax rates in America and whether they should increase, decrease, or stay the same (M) (EU2)
- Given a current economic problem, students will develop policies to address the issues. (M) (EU1, EU2)
- Have students debate the ethics of different ethical dilemmas in economics. (M) (EU1, EU2)