

DRAFT Proposed Revisions

Texas Essential Knowledge and Skills

Economics with Emphasis on the Free Enterprise System and Its Benefits

Prepared by the State Board of Education TEKS Review Committees

First Draft – July 31, 2009

These documents have been formatted for consistency and for ease of review.

Proposed additions are shown in green font with underlines and proposed deletions are shown in red font with strike throughs.

Comments in the margin provide explanations for proposed changes. The following notations were used as part of the explanations:

BSG = information added, changed or deleted based on broad strokes guidance

CRS = information added or changed to align with College Readiness Standards

ER = information added, changed or deleted based on expert reviewer feedback

MV = multiple viewpoints from within the committee

§118.2. Economics with Emphasis on the Free Enterprise System and Its Benefits, High School (One-Half Credit).

(a) General requirements. This course will be ~~may be~~ taught in ~~either~~ the social studies ~~or business education~~ department and is recommended to be taught at the senior level.

(b) Introduction.

(1) Economics with Emphasis on the Free Enterprise System (Capitalism, Free Market) and Its Benefits is the culmination of the economic content and concepts studied from Kindergarten through required secondary courses. The focus is on the basic principles concerning production, consumption, and distribution of goods and services (the problem of scarcity) in the United States and a comparison with those in other countries around the world. ~~Students examine the rights and responsibilities of consumers and businesses.~~ Students analyze the interaction of supply, demand, and price. ~~and study the role of financial institutions in a free enterprise system.~~ Students will investigate the concepts of specialization and international trade, economic growth, key economic measurements, and monetary policy and fiscal policy. Students will study the roles of the Federal Reserve and other financial institutions, government, and businesses in a free enterprise system (capitalism, free market). Types of business ownership and market structures are discussed. ~~as are basic concepts of consumer economics.~~ The course also incorporates instruction in personal financial literacy. ~~The impact of a variety of factors including geography, the federal government, economic ideas from important philosophers and historic documents, societal values, and scientific discoveries and technological innovations on the national economy and economic policy is an integral part of the course.~~ Students apply critical-thinking skills to create economic models and using economic concepts to evaluate the costs and benefits of economic issues, economic activity patterns.

(2) Economics with Emphasis on the Free Enterprise System (Capitalism, Free Market) and Its Benefits builds upon the foundation in ~~citizenship economics geography; government; history; culture and~~ social studies skills; ~~and science, technology, and society~~ laid by the social studies essential knowledge and skills in Kindergarten-Grade 12. The course will apply these skills to current economic situations. The content enables students to understand the importance of patriotism, to function in a free enterprise (capitalistic, free market) society, and to appreciate the basic democratic values of our state and nation as referenced in the Texas Education Code, §28.002(h).

(3) As referenced in House Bill 492, an act of the Texas Legislature signed into law in 2005, the concepts of Personal Financial Literacy are to be mastered by students in order that they may become self-supporting adults who can make informed decisions relating to personal financial matters. These concepts are incorporated into the student expectations of Economics with Emphasis on the Free Enterprise System and its Benefits: understanding interest, avoiding and eliminating of credit card debt; understanding the rights and responsibilities of renting or buying a home; managing money to make the transition from renting a home to home ownership; starting a small business; being a prudent investor in the stock market and using other investment options; beginning a savings program and planning for retirement;

Comment [A1]: BSG-Age appropriate

Comment [A2]: ER-Two ER and all committee members feel students should understand that the economic terms “free enterprise”, “capitalism” and “free market” are synonymous terms for the United States’ economic system so students will properly understand contemporary discussions of and references to the U.S. economic system.

Comment [A3]: BSG-Statement is a redundancy due to the additional of Personal Financial Literacy requirements

Comment [A4]: BSG-To clarify the focus on the free enterprise system and to reduce subjectivity.

Comment [A5]: BSG-Statement is a redundancy due to the additional of Personal Financial Literacy requirements

Comment [A6]: BSG-Ensures that standards reflect all information students should know, also is a statutory requirement.

Comment [A7]: BSG-All committee members feel that there is little rationale for listing any of the basic economic concepts covered in a one semester economics course as history, geography, culture, etc. Artificially placing these economics concepts in strands such as history and geography destroys the logical connection between the economic concepts covered in the class. In addition to basic economic concepts, this course is mandated to include a specific list of personal finance concepts which are also ill suited to being categorized as history, geography, or the other strands in the social studies curriculum.

The committee reduced the strands to three: economics, personal financial literacy, and social studies skills. Most of the previous strands are incorporated into the three new strands.

Comment [A8]: BSG- \Age appropriate expectations and clarify applying critical thinking skills in economics

Comment [A9]: ER-Two ER and all committee members feel students should understand that the economic terms “free enterprise”, “capitalism” and “free market” are synonymous terms for the United States’ economic system.

Comment [A10]: BSG-All committee members feel that there is little rational for listing any of the basic economic concepts covered in a one semester economics course as history, geogf (... [1]

Comment [A11]: BSG-Address global events that are occurring right now.

bankruptcy; types of bank accounts available to consumers and benefits of maintaining a bank account; balancing a check book; types of loans available to consumers and becoming a low-risk borrower; understanding insurance; and charitable giving.

Comment [A12]: BSG-Statutory requirement

Comment [A13]: The committee has identified three strands: economics, personal financial literacy and social studies skills. Most of the previous strands are incorporated into the three new strands.

BSG-All committee members feel that there is little rationale for listing any of the basic economic concepts covered in a one semester economics course as history, geography, culture, etc. Artificially placing these economics concepts in strands such as history and geography destroys the logical connection between the economic concepts covered in the class. In addition to basic economic concepts, this course is mandated to include a specific list of personal finance concepts which are also ill suited to being categorized as history, geography, or the other strands in the social studies curriculum.

NOTE ON NEW ORGANIZATION: The new strands reflect a logical, sequential presentation of core economic concepts in order to improve student understanding. This course has been organized by the following core economic concepts: problem of scarcity, how markets operate (supply and demand), international trade, economic systems, the circular-flow model, types of market structures, key economic measurements, economic growth, role of money, Federal Reserve System (monetary policy), and the role of government in U.S. economy (fiscal policy).

NOTE ON FORMATTING: Information in parentheses following each recommended knowledge and skill statement and student expectation indicates the former TEKS knowledge and skills statement and/or student expectation.

The information in parentheses following each current (old) knowledge and skill statement and student expectation ... [2]

Comment [A14]: BSG-Clarify the focus on the free enterprise system and to reduce subjectivity.

Comment [A15]: BSG-Ensures that standards reflect all information students should know. Makes the student expectation concise and clear.

Comment [A16]: Eliminated to accommodate new personal financial literacy requirements. BSG-Standards in current form are not measurable

(c) Knowledge and skills.

~~(1) Citizenship. The student understands the rights and responsibilities of consumers in the U.S. free enterprise system. The student is expected to:~~

~~(A) analyze the economic rights and responsibilities of individuals as consumers; and (Integrated into New 18 and 19)~~

~~(B) analyze the consequences of an economic decision made by an individual consumer. (Integrated into New 18 and 19)~~

(1) Economics. The student understands the concepts of scarcity and opportunity costs. The student is expected to: (Formerly 5)

(A) explain why scarcity and choice are basic economic problems faced by every society (Formerly 5A)

(B) describe how societies answer the basic economic questions (Formerly 21A)

(C) describe the ~~effects of the unequal distribution of~~ economic factors of production; and (Formerly 12A)

(D) interpret a production-possibilities curve and explain the concepts of opportunity costs and scarcity. (Formerly 5B)

~~(2) Citizenship. The student understands the rights and responsibilities of businesses in the U.S. free enterprise system. The student is expected to:~~

~~(A) analyze the economic rights and responsibilities of businesses; (New 16C)~~

~~(B) analyze the consequences of an economic decision made by a business; (Partially incorporated into 16C)~~

~~(C) analyze the ethics policy of a selected business; and (Removed)~~

~~(D) identify and evaluate ordinances and regulations that apply to the establishment of various types of businesses. (New 9B)~~

(2) Economics. The student understands the interaction of supply, demand, and price. The student is expected to: (Formerly 7)

(A) understand the effect of changes in price on the quantity demanded and quantity supplied (NEW formerly 7A)

(B) identify the non-price determinants that create changes in supply and demand, and price which result in a new equilibrium price; and (Formerly 7A)

Comment [A17]: BSG-This SE is a clarification of the former 7A which was divided into new 2A and 2B.

(C) interpret a supply-and-demand graph using supply-and-demand schedules. (Formerly 7B)

~~(3) Citizenship. The student understands the right to own, use, and dispose of private property. The student is expected to: (New 7)~~

~~(A) analyze an example of the responsible purchase, use, or disposal of personal and business property; and (New 7A)~~

~~(B) identify and evaluate examples of restrictions that the government places on the use of business and individual property. (New 7B)~~

(3) Economics. The student understands the reasons for international trade and its importance to the United States global economy. The student is expected to: (Formerly 13)

Comment [A18]: BSG-United States is part of the global economy so eliminated due to redundancy

(A) explain the concepts of absolute and comparative advantages; (Formerly 13A)

(B) apply the concept of comparative advantage to explain why and how countries trade; and (Formerly 13B)

(C) analyze the impact of U.S. imports and exports on the United States and its trading partners. (Formerly 13C)

~~(4) Economics. The student understands the basic principles of the U.S. free enterprise system. The student is expected to: (Now 6)~~

~~(A) explain the basic principles of the U.S. free enterprise system including profit motive, voluntary exchange, private property rights, and competition; and (Now 6A)~~

~~(B) explain the benefits of the U.S. free enterprise system including individual freedom of consumers and producers, variety of goods, responsive prices, and investment opportunities. (Now 6A)~~

(4) Economics. The student understands the issues of free trade and the effects of trade barriers. The student is expected to: (Formerly 14)

(A) compare the effects of free trade and trade barriers on economic activities; (Formerly 14A)

(B) evaluate the benefits and costs of participation in international free-trade agreements; and (Formerly 14B)

(C) analyze the effect of changes in exchange rates on imports and exports. (Formerly 13D)

Comment [A19]: CRS-addresses Standard I.D.2.for social studies

~~(5) Economics. The student understands the concepts of scarcity and opportunity costs. The student is expected to: (New 1)~~

~~(A) explain why scarcity and choice are basic problems of economics; and (New 1A)~~

~~(B) interpret a production possibilities curve and explain the concepts of opportunity costs and scarcity. (New 1D)~~

5) Economics. The student understands ~~traditional, command, and market~~ Free Enterprise, Socialist and Communist economic systems. The student is expected to (Formerly 10)

(A) describe the basic characteristics of economic systems including property rights, incentives, economic freedom, competition and the role of government; (Formerly 10A)

(B) compare the Free Enterprise System, Socialism and Communism using the basic characteristics of economic systems; ~~with other economic systems~~ (Formerly 10B)

(C) examine current examples of Free Enterprise, Socialism and Communism; (NEW)

(D) understand that the terms free enterprise, free market and capitalism are synonymous terms to describe the United States economic system; and (NEW)

(E) analyze the importance of various economic philosophers such as John Maynard Keynes, Karl Marx, and Adam Smith and their impact on the U.S. free enterprise system. (Formerly 19A)

Comment [A20]: ER-Recommendation for use of current terminology to describe economic systems

Comment [A21]: BSG-Ensures that standards reflect all information students should know and clarifies focus of student expectation

Comment [A22]: BSG-Address global events that are occurring right now.

Comment [A23]: BSG-Currently the US economic system is frequently referred to as Capitalism or Free Market. Therefore students need to realize these terms are synonymous with the economic term Free Enterprise so they can understand vocabulary used in contemporary society.

~~(6) Economics. The student understands the circular flow model of the economy. The student is expected to:-(Now 8)~~

~~(A) interpret a circular flow model of the economy and provide real world examples to illustrate elements of the model; and-(Now 8A)~~

~~(B) explain how government actions affect the circular flow model.-(Now 8B)~~

(6) Economics. The student understands the basic characteristics ~~principles~~ and benefits of a Free Enterprise system. The student is expected to: (Formerly 4)

Comment [A24]: BSG-Language changed to ensure expectation is concise, clear and measureable

(A) explain the basic characteristics of the U.S. free enterprise system including private property, incentives, economic freedom, competition, and the limited role of ~~individual freedom of consumers and producers, variety of goods, responsive prices, and investment opportunities~~; (Formerly 4A)

Comment [A25]: BSG-Language changed to ensure expectation is concise, clear and measureable

(B) explain the benefits of the U.S. free enterprise system including individual freedom of consumers and producers, variety of goods, responsive prices, and investment opportunities; (Formerly 4B)

(C) analyze recent changes in the basic characteristics of the United States economy; and (NEW)

Comment [A26]: BSG-Address global events that are occurring right now.

(D) analyze the costs and benefits of U. S. economic policies related to the economic goals of economic growth, stability, full employment, freedom, security, equity, and efficiency. (Formerly 16, 16A and 16B)

~~(7) Economics. The student understands the interaction of supply, demand, and price. The student is expected to:~~ (Now 2)

~~(A) identify the determinants that create changes in supply, demand, and price; and (Now 2B)~~

~~(B) interpret a supply and demand graph using supply and demand schedules. (Now 2C)~~

(7) Economics. The student understands the right to own, use, and dispose of private property. The student is expected to: (Formerly 3)

(A) analyze the cost benefits of the ~~an example of the responsible~~ purchase, use, or disposal of personal and business property; and (Formerly 3A)

Comment [A27]: BSG-Reflects a balanced perspective of both positive and negative and makes student expectation more clear and concise

(B) identify and evaluate examples of restrictions that the government places on the use of business and individual property. (Formerly 3B)

~~(8) Economics. The student understands the role of financial institutions in saving, investing, and borrowing. The student is expected to:~~ (Now 17)

~~(A) explain the functions of financial institutions and how the role of financial institutions has changed over time; and~~ (Incorporated into New 17A)

~~(B) analyze how financial institutions affect households and businesses.~~ (Incorporated into New 17A)

(8) Economics. The student understands the circular-flow model of the economy. The student is expected to: (Formerly 6)

(A) interpret the roles of resource owners and firms in a circular-flow model of the economy and provide real-world examples to illustrate elements of the model; (Formerly 6A)

(B) explain how government actions affect the circular-flow model; and (Formerly 6B)

(C) explain how the circular-flow model is affected by the rest of the world. (NEW)

Comment [A28]: BSG-Address global events that are occurring right now.

(9) Economics. The student understands ~~types of business ownership and~~ types of market structures. The student is expected to:

~~(A) explain the characteristics of sole proprietorships, partnerships, and corporations; (Now 16A)~~

~~(B) analyze the advantages and disadvantages of sole proprietorships, partnerships, and corporations; and (Now 16B)~~

(A) describe characteristics and give examples of pure competition, monopolistic competition, oligopoly, and monopoly; and (Formerly 9C)

(B) identify and evaluate ordinances and regulations that apply to the establishment and operation of various types of businesses. (Formerly 2D)

~~(10) Economics. The student understands traditional, command, and market economic systems. The student is expected to: (Now 5)~~

~~(A) explain the characteristics and give examples of traditional, command, and market economic systems; and (Integrated into new 5A)~~

~~(B) compare the U.S. free enterprise system with other economic systems. (Integrated into new 5B)~~

(10) Economics. The student understands key economic measurements. The student is expected to: (NEW)

(A) interpret economic data including unemployment rate, gross domestic product, and rate of inflation; and (NEW)

Comment [A29]: BSG-Ensure student expectations are concise, clear and measurable. Address global events that are occurring right now

Comment [A30]: BSG-Ensure student expectations are concise, clear and measurable.

(B) analyze business cycles using key economic ~~measurements~~ indicators. (Formerly 19C)

Comment [A31]: BSG- Present factual information and make an effort to reduce subjectivity

~~(11) Economics. The student understands the basic concepts of consumer economics. The student is expected to: (Integrated into personal financial literacy strand)~~

~~(A) analyze the factors involved in the process of acquiring consumer goods and services including credit, interest, and insurance; (Integrated into personal financial literacy strand)~~

~~(B) compare different means by which savings can be invested and the risks and rewards each poses to the consumer; and (Integrated into personal financial literacy strand)~~

~~(C) analyze the economic impact of investing in the stock and bond markets. (Integrated into personal financial literacy strand)~~

(11) Economics. The student understands necessary components of economic growth. The student is expected to: (NEW)

(A) analyze how productivity relates to growth; (NEW)

(B) analyze how technology relates to growth; and (NEW)

(C) analyze how trade relates to growth. (NEW)

~~(12) Geography. The student understands the geographic significance of the economic factors of production. The student is expected to: (Partially incorporated into New 1)~~

~~(A) describe the effects of the unequal distribution of economic factors of production; and (Now 1C)~~

~~(B) analyze the locations of resources used in the production of an economic good and evaluate the significance of the locations. (Removed)~~

(12) Economics. The student understands the role of money in an economy. The student is expected to: (NEW)

(A) describe the functions of money; (NEW)

(B) describe the characteristics of money; (NEW)

(C) compare the costs and benefits of commodity money, fiat money and representative money; and (NEW)

(D) compare the role of currency, credit cards and debit cards. (NEW)

Comment [A32]: BSG-Reflects the common core elements that all students should know and be able to do

Comment [A33]: BSG-Present factual information and make an effort to reduce subjectivity

BSG-Ensure student expectations are concise, clear and measurable.

Comment [A34]: BSG-Present factual information and make an effort to reduce subjectivity

BSG-Ensure student expectations are concise, clear and measurable.

Comment [A35]: BSG-Present factual information and make an effort to reduce subjectivity

BSG-Ensure student expectations are concise, clear and measurable

Comment [A36]: REMINDER: Decide if this label is necessary.

Comment [A37]: BSG-Reflects the common core elements that all students should know and be able to do

Comment [A38]: BSG-Present factual information and make an effort to reduce subjectivity

BSG-Ensure student expectations are concise, clear and measurable.

Comment [A39]: BSG-Present factual information and make an effort to reduce subjectivity

BSG-Ensure student expectations are concise, clear and measurable.

Comment [A41]: BSG-Address current events that are happening right now

Comment [A40]: BSG-Reflects a balanced perspective of both positive and negative

~~(13) Geography. The student understands the reasons for international trade and its importance to the United States. The student is expected to: (Now 3)~~

~~(A) explain the concepts of absolute and comparative advantages; (Now 3A)~~

~~(B) apply the concept of comparative advantage to explain why and how countries trade; (Now 3B)~~

~~(C) analyze the impact of U.S. imports and exports on the United States and its trading partners; and (Now 3C)~~

~~(D) analyze changes in exchange rates of world currencies and the effects on the balance of trade. (Now 4C)~~

(13) Economics. The student understands the role of the Federal Reserve System in establishing monetary policy. The student is expected to: (Formerly 18)

(A) explain the structure of the Federal Reserve System; (Formerly 18A)

(B) analyze the three basic tools used to implement U.S. monetary policy, including reserve requirement, discount rate and open market operations; and (Formerly 18B)

(C) explain how the actions of the Federal Reserve System affect the nation's money supply. (NEW)

Comment [A42]: BSG-Address global events that are occurring right now

~~(14) Geography. The student understands the issues of free trade and the effects of trade barriers. The student is expected to: (Now 4)~~

~~(A) compare the effects of free trade and trade barriers on economic activities; and (Now 4A)~~

~~(B) evaluate the benefits and costs of participation in international free trade agreements. (Now 4B)~~

(14) Economics. The student understands the role that the government plays in the U.S. free enterprise system. The student is expected to: (Formerly 15)

(A) identify economic concepts in the U.S. Constitution including property rights and taxation; (Formerly 20A)

(B) describe the role of government in the U.S. free enterprise system and the changes in that role over time; and (Formerly 15A)

(C) evaluate government rules and regulations in the U.S. free enterprise system. (Formerly 15B)

~~(15) Government. The student understands the role that the government plays in the U.S. free enterprise system. The student is expected to: (Now 14)~~

~~(A) describe the role of government in the U.S. free enterprise system; and (Now 14B)~~

~~(B) evaluate government rules and regulations in the U.S. free enterprise system. (Now 14C)~~

15) Economics. The student understands the economic impact of fiscal policy decisions at the local, state, and national levels. The student is expected to: (Formerly 17)

(A) identify types of taxes at the local, state, and national levels and the economic importance of each; (Formerly 17A)

(B) analyze the categories of revenues and expenditures in the U.S. federal budget; and (Formerly 17B)

(C) analyze the impact of fiscal policy decisions on the economy. (Formerly 17C)

~~(16) Government. The student understands the goals of economic growth, stability, full employment, freedom, security, equity, and efficiency as they apply to U.S. economic policy. The student is expected to: (Integrated into New 6D)~~

~~(A) describe the goals of U.S. economic policy; and (Integrated into New 6D)~~

~~(B) analyze how economic growth, stability, and full employment are measured. (Integrated into New 6D)~~

(16) Personal Financial Literacy. The student understands types of business ownership and types of market structures. The student is expected to: (Formerly 9)

(A) explain the characteristics of sole proprietorships, partnerships, and corporations; (Formerly 9A)

(B) analyze the advantages and disadvantages of sole proprietorships, partnerships, and corporations; (Formerly 9B)

(C) analyze the economic rights and responsibilities of businesses, including those involved in starting a small business; and (Formerly 2A)

(D) explain how corporations raise money through stocks and bonds. (NEW)

~~(17) Government. The student understands the economic impact of fiscal policy decisions at the local, state, and national levels. The student is expected to: (Now 15)~~

Comment [A44]: BS-Ensure student expectation is concise. Moved to 10

Comment [A43]: BSG- Emphasize the statutory requirement of teaching Personal Financial Literacy as required by HB 492

~~(A) identify types of taxes at the local, state, and national levels and the economic importance of each; (Now 15A)~~

~~(B) analyze the categories of revenues and expenditures in the U.S. federal budget; and (Now 15B)~~

~~(C) analyze the impact of fiscal policy decisions on the economy. (Now 15C)~~

17) Personal Financial Literacy. The student understands the role of financial markets/institutions in saving, investing, borrowing and capital formation. The student is expected to: (Formerly 8)

Comment [A45]: Will be addressed in 18

~~(A) explain the functions of financial institutions and how the role of financial institutions has changed over time they affect households and businesses; (Formerly 8A and 8B)~~

Comment [A46]: BSG-Address global events that are occurring right now

~~(B) analyze how financial institutions affect households and businesses.(8B)~~

(B) explain how the amount of savings in an economy is the basis of capital formation; (NEW)

Comment [A47]: BSG-Reflects common core elements that all students should know and be able to do. Helps students understand savings programs and their role in the economy.

(C) analyze the role of interest and risk in allocating savings to its most productive use; and (PFL1)

Comment [A48]: BSG-Directly addresses personal financial literacy requirement #1

(D) examine the types of accounts available to consumers from financial institutions and the risks and benefits of maintaining these accounts. (PFL8)

Comment [A49]: BSG-Directly addresses personal financial literacy requirement #8

~~(18) Government. The student understands the role of the Federal Reserve System in establishing monetary policy. The student is expected to: (Now 13)~~

~~(A) explain the structure of the Federal Reserve System; and (Now 13A)~~

~~(B) analyze the three basic tools used to implement U.S. monetary policy. (Now 13B)~~

18) Personal Financial Literacy. The student understands the role of individuals in financial markets. The student is expected to: (NEW Partially incorporated 1A and 1B)

(A) assess ways to be a wise investor in the stock market and in other personal investment options; (PFL5)

Comment [A50]: BSG-Directly addresses personal financial literacy requirement #5

(B) explain how to begin a savings program; (PFL6)

Comment [A51]: BSG-Directly addresses personal financial literacy requirement #6

(C) examine options for planning for retirement. (PFL6)

Comment [A52]: BSG-Directly addresses personal financial literacy requirement #9

(D) demonstrate how to maintain a checking account, such as balancing a checkbook or reconciling a bank statement; (PFL9)

Comment [A53]: BSG-Directly addresses personal financial literacy requirement #10

(E) identify the types of loans available to consumers; and (PFL10)

~~(F) develop strategies to become a low-risk borrower by improving one's personal credit score. (PFL10)~~

Comment [A54]: BSG-Directly addresses personal financial literacy requirement #10

~~(19) History. The student understands economic ideas and decisions from the past that have influenced the present and those of today that will affect the future. The student is expected to: (Removed)~~

Comment [A55]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.

~~(A) analyze the importance of various economic philosophers such as John Maynard Keynes, Karl Marx, and Adam Smith and their impact on the U.S. free enterprise system; (Now 5B)~~

~~(B) trace the history of the labor movement in the United States; (Removed)~~

Comment [A56]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.

~~(C) analyze the impact of business cycles on U.S. history; and (Now 10B)~~

~~(D) identify the contributions of entrepreneurs, past and present, such as Mary Kay Ash, Andrew Carnegie, and Bill Gates. (Removed)~~

Comment [A57]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.

(19) Personal Financial Literacy. The student applies critical thinking skills to analyze the costs and benefits of personal financial decisions. The student is expected to: (NEW Partially incorporated 1A and 1B)

(A) analyze ways to avoid and eliminate credit card debt; (PFL1)

Comment [A58]: Directly addresses personal financial literacy requirement #1

(B) evaluate the costs and benefits of declaring personal bankruptcy; (PFL7)

(C) evaluate the costs and benefits of buying insurance; and (PFL11)

Comment [A59]: BSG-Directly addresses personal financial literacy requirement #7

(D) evaluate the costs and benefits of charitable giving. (PFL12)

Comment [A60]: BSG-Directly addresses personal financial literacy requirement #11

~~(20) History. The student understands economic concepts embodied in historical documents including the U.S. Constitution. The student is expected to: (Removed)~~

Comment [A61]: BSG-Directly addresses personal financial literacy requirement #12

~~(A) identify economic concepts in the U.S. Constitution including property rights and taxation; and (Now 14A)~~

Comment [A62]: Information incorporated into 14.

~~(B) analyze the impact of economic concepts in the U.S. Constitution on contemporary issues and policies. (Integrated into 14A)~~

(20) Personal Financial Literacy. The student understands how to provide for basic needs while living within a budget. The student is expected to: (NEW)

(A) evaluate the costs and benefits of renting a home; (PFL2)

Comment [A63]: BSG-Directly addresses personal financial literacy requirement #2

(B) evaluate the costs and benefits of buying a home; and (PFL2)

Comment [A64]: BSG-Directly addresses personal financial literacy requirement #2

(C) assess the financial aspects of making the transition from renting to home ownership (PFL3).

Comment [A65]: BSG-Directly addresses personal financial literacy requirement #3

~~(21) Culture. The student understands how societal values affect a nation's economy. The student is expected to: (Removed)~~

Comment [A66]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.

~~(A) analyze the societal values that determine how a country answers the basic economic questions; and (Now 1B)~~

~~(B) describe the societal values that influence traditional, command, and market economies. (Removed)~~

Comment [A67]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.

(21) Social Studies Skills. The student applies critical-thinking skills to organize and use information acquired from a variety of sources including electronic technology. The student is expected to: (Formerly 23)

(A) analyze information by sequencing, categorizing, identifying cause-and-effect relationships, comparing, contrasting, finding the main idea, summarizing, making generalizations and predictions, and drawing inferences and conclusions; (Formerly 23A)

(B) create economic models such as production-possibilities curves, circular-flow charts, and supply-and-demand graphs to analyze economic concepts and issues. ~~data~~; (Formerly 23B)

Comment [A68]: BSG-Student expectation is more concise and reduces subjectivity

~~(C) create a product on a contemporary economic issue or topic using critical methods of inquiry; (23C)~~

Comment [A69]: BSG-Not age appropriate. Removed to accommodate new personal financial literacy standards within a one semester course.

(C) explain a point of view on an economic issue; (Formerly 23D)

(D) analyze and evaluate the validity of information from primary and secondary sources for bias, propaganda, point of view, and frame of reference; (Formerly 23E)

(E) evaluate economic ~~activity patterns~~ data using charts, tables, graphs, and maps; and (Formerly 23F)

Comment [A70]: BSG-Student expectation is more concise

Comment [A71]: BSG-Student expectation is more concise

(F) use appropriate mathematical skills to interpret ~~social studies~~ economic information. (Formerly 23G)

Comment [A72]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course. BSG-Reduced number of strands.

~~(22) Culture. The student understands the impact of a nation's culture on its level of economic development. The student is expected to: (Removed)~~

Comment [A73]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course. BSG-Reduced number of strands.

~~(A) describe the level of economic development of selected nations; and (Removed)~~

~~(B) analyze how societal values affect the economic development of nations. (Removed)~~

Comment [A74]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course. BSG-Reduced number of strands.

(22) Social Studies Skills. The student communicates in written, oral, and visual forms. The student is expected to: (Formerly 24)

(A) use ~~social studies~~ economic-related terminology correctly; (Formerly 24A)

Comment [A75]: BSG-Student expectation is more concise

(B) use standard grammar, spelling, sentence structure, and punctuation; (Formerly 24B)

(C) transfer information from one medium to another including written to visual and statistical to written or visual using computer software as appropriate; (Formerly 24C)

(D) create written, oral, and visual presentations of social studies information; and (Formerly 24D)

(E) ~~attribute ideas and information to source materials and authors.~~ (NEW)

Comment [A76]: CRS- Addresses Effective Communication

~~(23) Social studies skills. The student applies critical thinking skills to organize and use information acquired from a variety of sources including electronic technology. The student is expected to: (Now 21)~~

~~(A) analyze information by sequencing, categorizing, identifying cause and effect relationships, comparing, contrasting, finding the main idea, summarizing, making generalizations and predictions, and drawing inferences and conclusions; (Now 21A)~~

~~(B) create economic models such as production possibilities curves, circular flow charts, and supply and demand graphs to analyze economic data; (Now 21B)~~

~~(C) create a product on a contemporary economic issue or topic using critical methods of inquiry; (Removed)~~

Comment [A77]: BSG-Not age appropriate. Removed to accommodate new personal financial literacy standards within a one semester course.

~~(D) explain a point of view on an economic issue; (Now 21C)~~

~~(E) analyze and evaluate the validity of information from primary and secondary sources for bias, propaganda, point of view, and frame of reference; (Now 21D)~~

~~(F) evaluate economic activity patterns using charts, tables, graphs, and maps; and (Now 21E)~~

~~(G) use appropriate mathematical skills to interpret social studies information. (Now 21F)~~

(23) Social studies skills. The student uses problem-solving and decision-making skills, working independently and with others, in a variety of settings. The student is expected to: (Formerly 25)

(A) use a problem-solving process to identify a problem, gather information, list and consider options, consider advantages and disadvantages, choose and implement a solution, and evaluate the effectiveness of the solution; and (Formerly 25A)

(B) use a decision-making process to identify a situation that requires a decision, gather information, identify options, predict consequences, and take action to implement a decision. (Formerly 25B)

~~(24) Social studies skills. The student communicates in written, oral, and visual forms. The student is expected to: (Now 22)~~

~~(A) use social studies terminology correctly; (Now 22A)~~

~~(B) use standard grammar, spelling, sentence structure, and punctuation; (Now 22B)~~

~~(C) transfer information from one medium to another including written to visual and statistical to written or visual using computer software as appropriate; and (Now 22C)~~

~~(D) create written, oral, and visual presentations of social studies information. (Now 22D)~~

~~(25) Social studies skills. The student uses problem-solving and decision-making skills, working independently and with others, in a variety of settings. The student is expected to: (Now 23)~~

~~(A) use a problem-solving process to identify a problem, gather information, list and consider options, consider advantages and disadvantages, choose and implement a solution, and evaluate the effectiveness of the solution; and (Now 23A)~~

~~(B) use a decision-making process to identify a situation that requires a decision, gather information, identify options, predict consequences, and take action to implement a decision. (Now 23B)~~

~~(26) Science, technology, and society. The student understands the effects of science and technology on an economy. The student is expected to: (Removed)~~

~~(A) analyze the effect of technology on productivity; (Removed)~~

~~(B) analyze the economic effects of the development of communication and transportation systems in the United States; (Removed)~~

~~(C) analyze the economic impact of obsolescence created by technological innovations; and (Removed)~~

~~(D) analyze how technological innovations change the way goods are manufactured, marketed, and distributed. (Removed)~~

Comment [A78]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.
BSG-Reduced number of strands.

Comment [A79]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.
BSG-Reduced number of strands.

Comment [A80]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.
BSG-Reduced number of strands.

Comment [A81]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.
BSG-Reduced number of strands.

Comment [A82]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.
BSG-Reduced number of strands.

~~(27) Science, technology, and society. The student understands the economic effects of scientific discoveries and technological innovations on households, businesses, and government. The student is expected to: (Removed)~~

~~(A) give examples of types of economic information available as a result of technological innovations; and (Removed)~~

~~(B) explain how scientific discoveries and technological innovations create the need for rules and regulations to protect individuals and businesses. (Removed)~~

Comment [A83]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.
BSG-Reduced number of strands.

Comment [A84]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.
BSG-educed number of strands.

Comment [A85]: BSG-Removed to accommodate new personal financial literacy standards within a one semester course.
BSG-Reduced number of strands.

Source: The provisions of this §118.2 adopted to be effective September 1, 1998, 22 TexReg 7769.

DRAFT

Page 1: [1] Comment [A10]**Author**

BSG-All committee members feel that there is little rational for listing any of the basic economic concepts covered in a one semester economics course as history, geography, culture, etc. Artificially placing these economics concepts in strands such as history and geography destroys the logical connection between the economic concepts covered in the class. In addition to basic economic concepts, this course is mandated to include a specific list of personal finance concepts which are also ill suited to being categorized as history, geography, or the other strands in the social studies curriculum.

Page 2: [2] Comment [A13]**Author**

The committee has identified three strands: economics, personal financial literacy and social studies skills. Most of the previous strands are incorporated into the three new strands.

BSG-All committee members feel that there is little rational for listing any of the basic economic concepts covered in a one semester economics course as history, geography, culture, etc. Artificially placing these economics concepts in strands such as history and geography destroys the logical connection between the economic concepts covered in the class. In addition to basic economic concepts, this course is mandated to include a specific list of personal finance concepts which are also ill suited to being categorized as history, geography, or the other strands in the social studies curriculum.

NOTE ON NEW ORGANIZATION: The new strands reflect a logical, sequential presentation of core economic concepts in order to improve student understanding.

This course has been organized by the following core economic concepts: problem of scarcity, how markets operate (supply and demand), international trade, economic systems, the circular-flow model, types of market structures, key economic measurements, economic growth, role of money, Federal Reserve System (monetary policy), and the role of government in U.S. economy (fiscal policy).

NOTE ON FORMATTING: Information in parentheses following each recommended knowledge and skill statement and student expectation indicates the former TEKS knowledge and skills statement and/or student expectation.

The information in parentheses following each current (old) knowledge and skill statement and student expectation indicates where that statement/expectation was moved to.

Words in bold are additions to the original knowledge and skills statement and/or student expectation.