

The following instructional plan is part of a GaDOE collection of Unit Frameworks, Performance Tasks, examples of Student Work, and Teacher Commentary for the Economics Social Studies Course.

Economics – Unit 3 - Microeconomics	
Elaborated Unit Focus	In this unit, students will demonstrate their knowledge of Microeconomic concepts. The students will learn what motivates trade and why businesses and individuals specialize in a specific skill. You will learn how decisions made by one person, business, or group affect others and how scarcity drives decisions making. You will also learn that many people or parties respond predictably to both positive and negative incentives.
Connection to Connecting Theme/Enduing Understandings	<p>Gains from Trade</p> <ul style="list-style-type: none"> • Specialization by businesses and individuals • Desire to trade • Circular flow diagram <p>Incentives</p> <ul style="list-style-type: none"> • Role of Money • Law of Supply and Law of Demand • Role of prices as incentives • Role of profits as incentives • Incentives and market structures <p>Interdependency</p> <ul style="list-style-type: none"> • Relationship of supply/demand in determining equilibrium <p>Scarcity</p> <ul style="list-style-type: none"> • Choices mad in business decision
GSE for Social Studies (standards and elements)	<p>SSEF3 Explain how specialization and voluntary exchange influence buyers and sellers.</p> <ol style="list-style-type: none"> a. Explain how and why individuals and businesses specialize, including division of labor. b. Explain that both parties gain as a result of voluntary, non-fraudulent exchange. <p>SSEF5 Describe the roles of government in the United States economy.</p> <ol style="list-style-type: none"> a. Explain why government provides public goods and services, redistributes income, protects property rights, and resolves market failures. b. Explain the effects on consumers and producers caused by government regulation and deregulation. <p>SSEMI1 Describe how households and businesses are interdependent and interact through flows of goods, services, resources, and money.</p> <ol style="list-style-type: none"> a. Illustrate a circular flow diagram that includes the product market, the resource (factor) market, households, and firms. b. Explain the real flow of goods, services, resources, and money between and among households and firms. <p>SSEMI2 Explain how the law of demand, the law of supply, and prices work to determine production and distribution in a market economy.</p> <ol style="list-style-type: none"> a. Define the law of supply and the law of demand. b. Distinguish between supply and quantity supplied, and demand and quantity demanded. c. Describe the role of buyers and sellers in determining market clearing price (i.e. equilibrium). d. Illustrate on a graph how supply and demand determine equilibrium price and quantity.

Economics Frameworks for the Georgia Standards of Excellence in Social Studies

	<p>e. Identify the determinants (shifters) of supply (e.g., changes in costs of productive resources, government regulations, number of sellers, producer expectations, technology, and education) and illustrate the effects on a supply and demand graph.</p> <p>f. Identify the determinants (shifters) of demand (e.g., changes in related goods, income, consumer expectations, preferences/tastes, and number of consumers) and illustrate the effects on a supply and demand graph.</p> <p>g. Explain and illustrate on a graph how prices set too high (e.g., price floors) create surpluses, and prices set too low (e.g., price ceilings) create shortages.</p> <p>SSEMI3 Explain the organization and role of business and analyze the four types of market structures in the U.S. economy.</p> <p>a. Compare and contrast three forms of business organization—sole proprietorship, partnership, and corporation with regards to number of owners, liability, lifespan, decision-making, and taxation.</p> <p>b. Identify the basic characteristics of monopoly, oligopoly, monopolistic competition, and pure (perfect) competition with regards to number of sellers, barriers to entry, price control, and product differentiation.</p>
<p>Connection to Literacy Standards for Social Studies (reading and/or writing)</p>	<p>L9-10 RHSS7, RHSS9 WHST1, WHST9</p> <p>L11-12 RHSS7, RHSS9 WHST1, WHST9</p>
<p>Connection to Social Studies Matrices (information processing and/or map and globe skills)</p>	<p>Information Processing 1, 3, 5, 9, 11, 12, 14, 15, 16, 17</p>



Essential Questions and Related Supporting/Guiding Questions

Enduring Understanding 1	<ol style="list-style-type: none"> 1. How are households, business and government interrelated through markets and the flow of money? <ol style="list-style-type: none"> a. How does the spending by one household become the income of another household? b. What is market failure and under what conditions might the government intervene? c. What determines value in the circular flow? d. How can a household be both a buyer and a seller in the circular flow?
Enduring Understanding 2	<ol style="list-style-type: none"> 2. What forces lead to changes in supply & demand? <ol style="list-style-type: none"> a. What factors determine the market clearing price? b. Why do buyers (demand) and sellers (supply) respond differently to price changes? c. How can the government, through price ceilings and floors, affect production and efficiency in the market?
Enduring Understanding 3	<ol style="list-style-type: none"> 3. What factors make a market competitive? <ol style="list-style-type: none"> a. What are the different ways a business can organize? b. What role does advertising play in competition? c. How does competition affect the choices consumers have in an economy?

Sample Instructional Activities/Assessments

Prices: The Marketplace’s Communication System

Students will read and annotate the article “Prices: The Marketplace’s Communication System” followed by answering the accompanying guided reading questions. Watch the video and have students draw graphs using sidewalk chalk.

GSE Standards and Elements	<p>SSEMI2 Explain how the law of demand, the law of supply, and prices work to determine production and distribution in a market economy.</p> <ul style="list-style-type: none"> a. Define the law of supply and the law of demand. b. Distinguish between supply and quantity supplied, and demand and quantity demanded. c. Describe the role of buyers and sellers in determining market clearing price (i.e. equilibrium). d. Illustrate on a graph how supply and demand determine equilibrium price and quantity.
Literacy Standards Social Studies Matrices Enduring Understanding(s)	<p>L9-10 RHSS7, RHSS9 L11-12 RHSS7, RHSS9 Information Processing 1, 3, 5, 9, 11, 12, 14, 15, 16 Gains from Trade Incentives Interdependency</p>

Task 1

Students will read and annotate the article “Prices: The Marketplace’s Communication System” followed by answering the accompanying guided reading questions.

Resource Links:

- Page One “Prices: The Marketplace’s Communication System” article and guided questions



PageOneClassroom
Edition_0413Prices_1

Erin A. Yetter, "Prices: The Marketplace’s Communication System," Page One Economics, April 2013

- Harvard Library: PDF of “Interrogating Texts”
 - http://guides.library.harvard.edu/ld.php?content_id=12548868

Writing to Learn Strategy- How to Summarize

GIST- Generating Interactions between Schemata and Texts

- GIST (Cunningham 1982) is a strategy designed to help students learn to write organized and concise summaries. Summaries restate only the author’s main ideas, omitting all examples and evidence used in supporting and illustrating points. For students who are at a loss as how to put a reading into their own words, GIST can be used as a step by step method.
- The teacher should begin with modeling the technique by coaching the class through a paragraph. After modeling assign a reading for students to do independently.

	1) Read the first sentence and summarize its contents in fifteen words or less.
	2) Read the second sentence and summarize the two sentences in fifteen words or less.
	3) Read the third sentence and summarize the three sentences in fifteen words or less.
	4) Continue until the paragraph is read.
	5) Then summarize the entire paragraph in fifteen words or less.

Economics Frameworks for the Georgia Standards of Excellence in Social Studies


Task 2

How to annotate:

While reading, students mark the pages for important information, text meaning or key details, ideas and questions.

Avoid using a highlighter! Use a pencil or pen to notate.

Suggested annotation strategies:

- In the margins, summarize in your own words key concepts.
- Bracket **[important]** passages.
- Connect related ideas with lines or arrows. 
- **Underline** important ideas/details
- Place asterisks * or exclamation points next to unusual or surprising details!!
- **Circle** words or information you don't understand.
- Rank your annotations based on their importance to the passage, **1, 2, 3, 4, 5.**

Part 2

Watch the following:

Demand vs. Quantity Demanded

<https://econclassroom.com/?p=5035>

After completing the article and the video, students draw the following graphing problems using chalk outside on the sidewalk:

1. Draw two graphs showing the difference between a change in demand and a change in quantity demanded.
2. Hershey chocolate bars increase in price. Draw the graph for Nestle chocolate bars.
3. A price ceiling for gasoline is set in the market by the government. Draw the graph and label Qs & Qd.
4. Producers believe milk prices will rise in the next month. Draw the current graph for milk.

Advertising: Dollars and Decisions

Students will read and annotate the article “Advertising: Dollars and Decisions” followed by answering the accompanying guided reading questions

GSE Standards and Elements	<p>SSEMI2 Explain how the law of demand, the law of supply, and prices work to determine production and distribution in a market economy.</p> <p>c. Describe the role of buyers and sellers in determining market clearing price (i.e. equilibrium).</p> <p>e. Identify the determinants (shifters) of supply (e.g., changes in costs of productive resources, government regulations, number of sellers, producer expectations, technology, and education) and illustrate the effects on a supply and demand graph.</p> <p>f. Identify the determinants (shifters) of demand (e.g., changes in related goods, income, consumer expectations, preferences/tastes, and number of consumers) and illustrate the effects on a supply and demand graph</p>
Literacy Standards Social Studies Matrices Enduring Understanding(s)	<p>L9-10 RHSS7, RHSS9 L11-12 RHSS7, RHSS9</p> <p>Information Processing 1, 3, 5, 9, 11, 12, 14, 15, 16</p> <p>Gains from Trade Incentives Interdependency Scarcity</p>

Students will read and annotate the article “Advertising: Dollars and Decisions” followed by answering the accompanying guided reading questions.

Resource Links:

- Page One “Advertising: Dollars and Decisions” article and guided questions



advertising-dollars-and-decisions_TE.pc

Jeannette N. Bennett, "Advertising: Dollars and Decisions," Page One Economics, April 2017


- Harvard Library: PDF of “Interrogating Texts”
 - http://guides.library.harvard.edu/ld.php?content_id=12548868

How to annotate:

While reading, students mark the pages for important information, text meaning or key details, ideas and questions.

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- **Underline** important ideas/details
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- **Circle** words or information you don't understand.
- Rank your annotations based on their importance to the passage, **1, 2, 3, 4, 5.**

Supply and Demand Shifting

Students will use story strips to illustrate the sequence of given headlines. Students will then create two supply and two demand headlines for a product

GSE Standards and Elements	<p>SSEMI2 Explain how the law of demand, the law of supply, and prices work to determine production and distribution in a market economy.</p> <p>d. Illustrate on a graph how supply and demand determine equilibrium price and quantity.</p> <p>e. Identify the determinants (shifters) of supply (e.g., changes in costs of productive resources, government regulations, number of sellers, producer expectations, technology, and education) and illustrate the effects on a supply and demand graph.</p> <p>f. Identify the determinants (shifters) of demand (e.g., changes in related goods, income, consumer expectations, preferences/tastes, and number of consumers) and illustrate the effects on a supply and demand graph.</p>
Literacy Standards Social Studies Matrices Enduring Understanding(s)	<p>Information Processing 1, 3, 5, 9, 11, 12, 14, 15, 16</p> <p>Gains from Trade</p> <p>Incentives</p> <p>Interdependency</p>

Instructions:

Demand

1. Review the determinants demand.
2. Post the following headline and product on the board: "Flu Outbreak expected to Hit the U.S in October." Product: Flu Shots
3. Have students discuss what they believe to be the determinant, as well as the shift. Using the story strips (attached below) students will show the effect the headline has on the demand for flu shots. (Placed in sequence: Determinant is taste and preferences, increases demand, price increases, quantity increases.) Student may need to sketch a graph to determine the correct direction for price and quantity.
4. Perform the same as above for the following headline: "Printer ink prices skyrocket." Product: Computer Printers
5. Students will be shown pictures of two different products: headphones and a bag of popular chips. Students will create one headline for each product that effects demand.
6. Each headline must be governed by a different demand determinant. Students do not identify the determinant on the paper. The name of the product must be written next to the headline.
7. Students exchange the two headlines with another pair, draw the graphs (with resulting price and quantity change) for each headline, and list the determinant. Know that some headlines may not identify a demand determinant. Circulate the room to assist with these situations.
8. Pairs will then give the headlines back to the original headline creating pair to be graded.

Supply

1. Review the determinants of supply.
2. Post the following headline and product on the board: “Drought strikes much of the nation. Wood prices expected to rise.” Product: houses
3. Have students discuss what they believe to be the determinant, as well as the shift. Using the story strips (attached below) students will show the effect the headline has on the supply of houses (Placed in sequence: Determinant price of resources, decreases supply, price increases, quantity decreases.) Student may need to sketch a graph to determine the correct direction for price and quantity.
4. Perform the same as above for the following headline: “Ground beef recall causes a shortage for the restaurant industry.” Product: Hamburgers
5. Students will be shown pictures of two different products: automobiles and toilet paper. Students will create one headline for each product that effects supply.
6. Each headline must be governed by a different supply determinant. Students do not identify the determinant on the paper. The name of the product must be written next to the headline.
7. Students exchange the two headlines with another pair, draw the graphs (with resulting price and quantity change) for each headline, and list the determinant. Know that some headlines may not identify a demand determinant. Circulate the room to assist with these situations.
8. Pairs will then give the headlines back to the original headline creating pair to be graded.

Sequence strips to be cut out:

Change in Related Goods	Income Change	Consumer Expectations	Tastes and Preferences	Number of Consumers	
Increase in Demand	Decrease in Demand	Increase in Price	Decrease in Price	Increase in Quantity	Decrease in Quantity

Change in the Cost of Productive Resources	Government Regulations	Number of Sellers	Producer Expectations	Technology	Education
Increase in Supply	Decrease in Supply	Increase in Price	Decrease in Price	Increase in Quantity	Decrease in Quantity

Supply & Demand Mind Map

Using the skills gained from the previous activity, students will work in groups to create a mind map for Supply and Demand.

GSE Standards and Elements	<p>SSEMI2 Explain how the law of demand, the law of supply, and prices work to determine production and distribution in a market economy.</p> <ul style="list-style-type: none"> a. Define the law of supply and the law of demand. b. Distinguish between supply and quantity supplied, and demand and quantity demanded. c. Describe the role of buyers and sellers in determining market clearing price (i.e. equilibrium). d. Illustrate on a graph how supply and demand determine equilibrium price and quantity. e. Identify the determinants (shifters) of supply (e.g., changes in costs of productive resources, government regulations, number of sellers, producer expectations, technology, and education) and illustrate the effects on a supply and demand graph. f. Identify the determinants (shifters) of demand (e.g., changes in related goods, income, consumer expectations, preferences/tastes, and number of consumers) and illustrate the effects on a supply and demand graph.
Literacy Standards Social Studies Matrices Enduring Understanding(s)	<p>Information Processing 1, 3, 5, 9, 11, 12, 14, 15, 16</p> <p>Gains from Trade</p> <p>Incentives</p> <p>Interdependency</p>

Supply and Demand Mind Map

In small groups, students will create a mind map with the market with a product serving as the central idea.

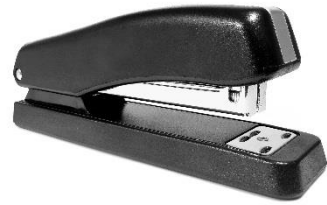
Instructions

1. Get into your groups and get a large piece of paper with some colored pencils.
2. One member of the group will pick a product’s picture out of a hat (see attachment for a suggested group of products; feel free to add or replace as needed).
3. The central idea will be “The Market for (the picture they chose).”
4. The two initial branches will be Supply and Demand.
5. Branches for each determinant will fork from supply and demand.
6. Students will create one headline for related to their product for each determinant. This headline will be branch from the determinant.
7. The last branch, from the headline, will be a correctly drawn graph of the supply and demand model depicted the effect of the headline on their product. The graphs should have each of the following:
 - a. Proper labels for price, quantity, supply, demand, & equilibrium.
 - b. Name of good/service/productive resource listed above the graph.
 - c. The correct shift of supply or demand with an arrow.
 - d. The new equilibrium price & quantity with arrows
8. Students should plan their work, headlines and shifting, on a separate piece of paper before placing on their big piece of paper. They should also check with other group members to make sure the graphs are correct and the proper determinant is addressed.

9. After completing the Mind Map, groups are to trade rubrics and maps with another group. The other group will give them an estimated grade based upon the rubric listed below.

- Their product's market as the central idea with supply and demand branching out from center (___ out of 12 points)
- Each determinant for supply (6) and each determinant for demand (5). (2points each) (___ out of 22 points)
- Determinants have unique headlines (ideas are not repeated). (3 points each) (___ out of 33 points)
- Graphs are drawn and labeled correctly. (1 point each) (___ out of 11 points)
- Students accurately illustrate the effects of all headline shifts. (2 points each) (___ out of 22 points)

Suggested Products



Mind Map Example

Georgia Department of Education

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<https://commons.wikimedia.org/wiki/File:MindMapGuidelines.svg>



Minimum Wage

Students will read and annotate the article “Minimum Wage” followed by answering the accompanying guided reading questions. Conduct a debate: “Should the United States raise the minimum wage?”

GSE Standards and Elements	<p>SSEMI2 Explain how the law of demand, the law of supply, and prices work to determine production and distribution in a market economy.</p> <p style="padding-left: 40px;">g. Explain and illustrate on a graph how prices set too high (e.g., price floors) create surpluses, and prices set too low (e.g., price ceilings) create shortages.</p>
Literacy Standards Social Studies Matrices Enduring Understanding(s)	<p>L9-10 RHSS7, RHSS9 WHST1, WHST9</p> <p>L11-12 RHSS7, RHSS9 WHST1, WHST9</p> <p>Information Processing 1, 3, 5, 9, 11, 12, 14, 15, 16</p> <p>Gains from Trade</p> <p>Incentives</p> <p>Interdependency</p> <p>Scarcity</p>

Part 1

Students will read and annotate the article “Minimum Wage” followed by answering the accompanying guided reading questions.

Resource Links:

- Page One “Minimum Wage” article and guided questions



PageOneCRE_0314_Minimum_Wage.pdf

Scott A. Wolla, "Would Increasing the Minimum Wage Reduce Poverty?," Page One Economics, March 2014


- Harvard Library: PDF of “Interrogating Texts”
 - http://guides.library.harvard.edu/id.php?content_id=12548868

How to annotate:

While reading, students mark the pages for important information, text meaning or key details, ideas and questions.

Avoid using a highlighter! Use a pencil or pen to notate.

Suggested annotation strategies:

- In the margins, summarize in your own words key concepts.
- Bracket **[important]** passages.
- Connect related ideas with lines or arrows. 
- **Underline** important ideas/details
- Place asterisks * or exclamation points next to unusual or surprising details!!

- **Circle** words or information you don't understand.
- Rank your annotations based on their importance to the passage, **1, 2, 3, 4, 5**.

Part 2

Graphing ceilings and floors.

1. Draw a graph showing the following situations:
 - a. A functioning government imposed price ceiling
 - b. A nonbinding government imposed price ceiling
 - c. A functioning government imposed price floor
 - d. A nonbinding government imposed price floor
2. Is minimum wage a price floor or price ceiling? Can a minimum wage be a “nonbinding” wage?
3. Perform the following:
 - a. Go to the website: <http://money.cnn.com/calculator/pf/cost-of-living/>
 - b. Set the salary at \$50,000 for Atlanta.
 - c. Compare the cost of living in the following cities:
 - i. \$50,000 in Atlanta is equal to \$ _____ in Albany, GA
 - ii. \$50,000 in Atlanta is equal to \$ _____ in Columbus, GA
 - iii. \$50,000 in Atlanta is equal to \$ _____ in Savannah, GA
 - iv. \$50,000 in Atlanta is equal to \$ _____ in New York (Brooklyn), NY
 - v. \$50,000 in Atlanta is equal to \$ _____ in Chicago, IL
 - vi. \$50,000 in Atlanta is equal to \$ _____ in Detroit, MI
 - vii. \$50,000 in Atlanta is equal to \$ _____ in Oakland, CA
 - d. What explains these differences in the cost of living?
4. Why might a wage in one area of the country work differently in another? How does cost of living factor in?

Part 3

Conducting a Debate

Students will research and debate the questions: "Should the United States raise the minimum wage?"

The inner/outer circle debate strategy, as well as the three card strategy will be used in this activity. These strategies emphasize listening to others' views and writing an opinion essay.

Link to general instructions for Inner/Outer Circle Strategy: http://www.educationworld.com/a_lesson/03/lp304-05.shtml

To ensure every student has the opportunity to contribute, the **Three Card Strategy** will be used with the **Inner/Outer Circle Strategy**. This technique can be used as a pre-debate strategy to help students gather information about topics they might not know a lot about. This strategy provides opportunities for all students to participate in discussions that might otherwise be monopolized by students who are frequent participants. In this strategy, the teacher provides each student with two or three cards on which are printed the words "Comment or Question." During the debate when a student wishes to make a point as part of the discussion, he or she raises one of the cards; after making a comment or asking a question pertinent to the discussion, the student turns in the card. This strategy encourages participants to think before jumping in; those who are usually frequent participants in classroom discussions must weigh whether the point they wish to make is valuable enough to turn in a card. When a student has used all the cards, he or she cannot participate again in the discussion until all students have used all their cards. Students should keep this in mind as they perform their research, possibly ranking their research based on what they think is most important.

1. Assign students to either the pro or con side of the debate. Research the question and gather information.

Resources

Con

- <http://home.uchicago.edu/~arsx/br/CLIFE-Sanderson-econ-OCT2016.pdf>
- https://object.cato.org/sites/cato.org/files/four_reasons_not_to_raise_the_minimum_wage.pdf

Pro

- <http://www.epi.org/publication/raising-federal-minimum-wage-to-1010/>
- <http://www.pbs.org/newshour/making-sense/why-raising-the-minimum-wage-is-good-economics/>

Both

- <http://minimum-wage.procon.org/>
- <https://www.dol.gov/whd/minwage/america.htm>

Economics Frameworks for the Georgia Standards of Excellence in Social Studies

Research should include information supporting their side, counterarguments, as well as a rebuttal. The following are some suggested graphic organizers to plan your arguments:

Arguments for...	Arguments against...
Source: Quote: Summary:	Source: Quote: Summary:
Source: Quote: Summary:	Source: Quote: Summary:
Source: Quote: Summary:	Source: Quote: Summary:
Source: Quote: Summary:	Source: Quote: Summary:

“Should the United States raise the minimum wage?”

Supporting Research	Counterarguments	Rebuttal

Economics and the Environment

Students will read and annotate the article “Economics and the Environment” followed by answering the accompanying guided reading questions. Students will then analyze a political cartoon.

GSE Standards and Elements	<p>SSEF5 Describe the roles of government in the United States economy.</p> <p>a. Explain why government provides public goods and services, redistributes income, protects property rights, and resolves market failures.</p> <p>b. Explain the effects on consumers and producers caused by government regulation and deregulation.</p>
Literacy Standards Social Studies Matrices Enduring Understanding(s)	<p>L9-10 RHSS7, RHSS9 L11-12 RHSS7, RHSS9 Information Processing 1, 3, 5, 9, 11, 12, 14, 15, 16 Gains from Trade Incentives Interdependency Scarcity</p>

Students will read and annotate the article “Economics and the Environment” followed by answering the accompanying guided reading questions.

Resource Links:

- Page One “Economics and the Environment” article and guided questions



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Scott A. Wolla, "Economics and the Environment," Page One Economics, September 2014

- Harvard Library: PDF of “Interrogating Texts”
 - http://guides.library.harvard.edu/ld.php?content_id=12548868

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Part 2

Analyze Political Cartoon

<https://www.studentnewsdaily.com/editorial-cartoon-for-students/how-electric-cars-work/>

1. Quickly scan the cartoon. What do you notice first? What is the title or caption?
2. Are there labels, descriptions, thoughts, or dialogue?
3. List the people, objects, and places in the cartoon.
4. List the actions or activities.
5. What is the message of the cartoon? List evidence from the cartoon that led you to your conclusion.
6. Electric cars are zero emissions vehicles (ZEV), which means the vehicle emits no pollutants from its tailpipe. What percentage of our electricity comes from coal-fired plants? Explain the irony of the cartoon.
7. Who is the third party dealing with the negative externality? What is the unintended consequence of electric car use?

Market Structures: Candy Shop

Students will fill out the table for Market Structures and then perform the candy shop simulation.

GSE Standards and Elements	SSEMI3 Explain the organization and role of business and analyze the four types of market structures in the U.S. economy. b. Identify the basic characteristics of monopoly, oligopoly, monopolistic competition, and pure (perfect) competition with regards to number of sellers, barriers to entry, price control, and product differentiation
Literacy Standards Social Studies Matrices Enduring Understanding(s)	Gains from Trade Incentives Interdependency Scarcity

Part 1

Students will use the following to fill in the table for Market Structures:

- <https://quickonomics.com/2016/09/market-structures/>
- <http://www.teachertube.com/video/market-structures-ap-microeconomics-441051>
- <https://www.youtube.com/watch?v=9Hxy-TuX9fs>

Market Characteristics	Monopoly	Oligopoly	Monopolistic Competition	Perfect Competition
# of Firms				
Similar or Different Products Sold by the Businesses				
Control Over Price or Not				
Easy to Enter Industry or Barriers to Entry				
Existence of Non-Price Competition				
Examples of Types of Businesses				

Part 2

Market Structure Candy Shoppes

Four rounds of candy sales will take place demonstrating the four market structures. This is wonderful culminating activity for market structures. As the rounds progress, students will fill out the attached market structures data sheet.

Perfect Competition: Round #1

Give six to eight students (depending on class size) one of the following cards. These students will act as candy sellers. Give each of these sellers an equal number of identical candies. Give six to eight students five, one dollar bills in play money. When you say go, the buyers will attempt to purchase candy from the sellers. The sellers **MUST** follow the instructions on the card. When sellers and buyers finish their exchange, use open-ended questioning to fill in the Market Structure Simulation Chart based on the simulated buying and selling round.

You must sell your product for \$1 You may not advertise your product Or offer any deals to customers	You must sell your product for \$1 You may not advertise your product Or offer any deals to customers	You must sell your product for \$1 You may not advertise your product Or offer any deals to customers
You must sell your product for \$1 You may not advertise your product Or offer any deals to customers	You must sell your product for \$1 You may not advertise your product Or offer any deals to customers	You must sell your product for \$1 You may not advertise your product Or offer any deals to customers
You must sell your product for \$1 You may not advertise your product Or offer any deals to customers	You must sell your product for \$1 You may not advertise your product Or offer any deals to customers	You must sell your product for \$1 You may not advertise your product Or offer any deals to customers

Monopolistic Competition: Round #2

Give six to eight students (depending on class size) one of the following cards. These students will act as candy sellers. Allow the sellers from the previous round to now act as the consumers in round two using the revenue they earned in round one. The sellers **MUST** follow the instructions on the card. When sellers and buyers finish their exchange, use open-ended questioning to fill in the Market Structure Simulation Chart based on the simulated buying and selling round.

You may sell at any price, you May offer specials and advertise Your product	You may sell at any price, you May offer specials and advertise Your product	You may sell at any price, you May offer specials and advertise Your product
You may sell at any price, you May offer specials and advertise Your product	You may sell at any price, you May offer specials and advertise Your product	You may sell at any price, you May offer specials and advertise Your product
You may sell at any price, you May offer specials and advertise Your product	You may sell at any price, you May offer specials and advertise Your product	You may sell at any price, you May offer specials and advertise Your product

Economics Frameworks for the Georgia Standards of Excellence in Social Studies

Oligopoly: Round #3

Give three students one of the following cards. These students will act as candy sellers. Give each of these sellers an unequal number of differentiated candies. Be sure there are as many product in this round as were distributed in rounds one and two. Allow the sellers from the previous round to now act as the consumers in round three using the revenue they earned in round two. When you say go, the buyers will attempt to purchase candy from the sellers. The sellers **MUST** follow the instructions on the card. When sellers and buyers finish their exchange, use open-ended questioning to fill in the Market Structure Simulation Chart based on the simulated buying and selling round. Be sure to discuss the effectiveness of price collusion and its effect on revenue.

Sell at any price – You may discuss prices with your competitors to drive up revenue.	Sell at any price – You may discuss prices with your competitors to drive up revenue.	Sell at any price – You may discuss prices with your competitors to drive up revenue.
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Monopoly: Round #4

Give one student the following card. This student will act as a candy seller. Make sure the same number of products are in the market as there were in rounds one through three. Allow the sellers from the previous round to now act as the consumers in round four using the revenue they earned in round two. When you say go, the buyers will attempt to purchase candy from the seller. The seller **MUST** follow the instructions on the card. When seller and buyers finish their exchange, use open-ended questioning to fill in the Market Structure Simulation Chart based on the simulated buying and selling round. (You may want to emphasize candy security with your monopolist or theft may occur during this round.)

Sell as much candy as you want at any price. Do not hoard candy. If you sell everything, you will be able use your revenue to purchase some candy from your teacher at the end of the simulation.

Market Structures Data Sheet

	# of Firms	# of Consumers	# of Products	Description of Product	Price(s) of Products	Firms' Total Revenue	Amount Saved by Consumers	Type of Competition Depicted?
Round 1								
Round 2								
Round 3								
Round 4								

Sole Proprietorship, Partnership, Corporation	
Description	
GSE Standards and Elements	<p>SSEMI3 Explain the organization and role of business and analyze the four types of market structures in the U.S. economy.</p> <p>a. Compare and contrast three forms of business organization—sole proprietorship, partnership, and corporation with regards to number of owners, liability, lifespan, decision-making, and taxation.</p> <p>b. Identify the basic characteristics of monopoly, oligopoly, monopolistic competition, and pure (perfect) competition with regards to number of sellers, barriers to entry, price control, and product differentiation</p>
Literacy Standards Social Studies Matrices Enduring Understanding(s)	<p>L9-10 RHSS7, RHSS9</p> <p>L11-12 RHSS7, RHSS9</p> <p>Information Processing 1, 3, 5, 9, 11, 12, 14, 15, 16</p> <p>Incentives</p> <p>Interdependency</p> <p>Scarcity</p>

Part 1

Complete the graphic organizer using the links:

- Choose your Business Structure: <https://www.sba.gov/starting-business/choose-your-business-structure>
- Revenue and Frequency of the Types of Businesses: <https://www.forbes.com/sites/scottshane/2012/06/26/the-economic-impact-of-c-corps-or-the-frequency-of-sole-proprietorships/#3305f5dc1929>

Graphic Organizer for Business Organizations

What is a Sole Proprietorship? _____

Advantages	Disadvantages

What is a Partnership? _____

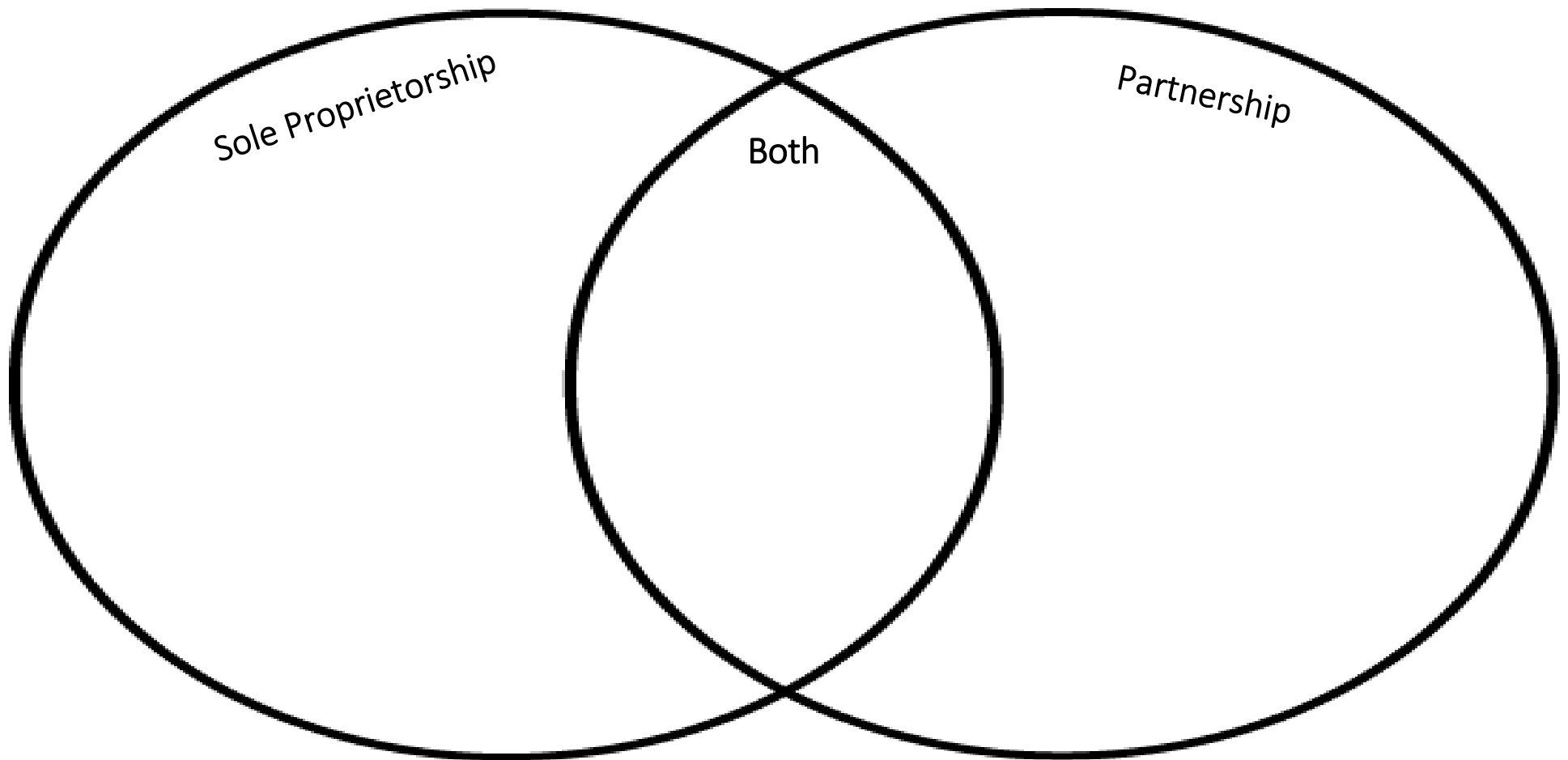
Advantages	Disadvantages

What is a Corporation? _____

Advantages	Disadvantages

Part 2

Using the advantages and disadvantages from Part 1, compare and contrast Sole Proprietorships and Partnerships using the Venn Diagram



Part 3

For each of the clients listed below, identify whether you think their situation is best suited for a sole proprietorship, partnership, or corporation. Give Two Advantages and One Disadvantage should they choose to follow your advice.

1. Ryan has decided to expand her Law Practice and wants to diversify. She currently has expertise in business litigation and bankruptcy, but she would like to expand into real estate and intellectual property.
2. Brendan's advertising agency has taken on several large corporate clients and the demand for his services has expanded across the nation. He and his associates feel like they are being spread too thin and think the quality of their work will suffer.
3. Kyra has been running a Pizza Restaurant for a few years and has some specialty pies that have garnered nationwide attention. She has been approached by investors wanting to expand her business. Kyra is interested, but she wants to expand slowly to make sure her customers remain happy.
4. Larry is an electrician who has contracted with several builders and is having a hard time keeping up with the business. The builder has several developments here in town, as well as several at the beach. Larry does not think he has enough capital to keep up with the business.

Market Structures: Georgia

Using a suggested list of Georgia based companies, students will research and prove the market structures in which the business belongs.

<p>GSE Standards and Elements</p>	<p>SSEF3 Explain how specialization and voluntary exchange influence buyers and sellers.</p> <p>a. Explain how and why individuals and businesses specialize, including division of labor.</p> <p>b. Explain that both parties gain as a result of voluntary, non-fraudulent exchange.</p> <p>SSEMI1 Describe how households and businesses are interdependent and interact through flows of goods, services, resources, and money.</p> <p>a. Illustrate a circular flow diagram that includes the product market, the resource (factor) market, households, and firms.</p> <p>b. Explain the real flow of goods, services, resources, and money between and among households and firms.</p> <p>SSEMI3 Explain the organization and role of business and analyze the four types of market structures in the U.S. economy.</p> <p>a. Compare and contrast three forms of business organization—sole proprietorship, partnership, and corporation with regards to number of owners, liability, lifespan, decision-making, and taxation.</p> <p>b. Identify the basic characteristics of monopoly, oligopoly, monopolistic competition, and pure (perfect) competition with regards to number of sellers, barriers to entry, price control, and product differentiation.</p>
<p>Literacy Standards Social Studies Matrices Enduring Understanding(s)</p>	<p>L9-10 RHSS7, RHSS9 L11-12 RHSS7, RHSS9 Information Processing 1, 3, 5, 9, 11, 12, 14, 15, 16 Interdependency</p>

Give students two businesses to research:

1. One Perfectly Competitive or one that is a part of Monopolistic Competition
2. One that is an Oligopoly or a Monopoly

Businesses to choose from:

Perfectly Competitive Market:

Choose one of the following agricultural products of Georgia to research:

apples, berries, cabbage, corn, cotton and cottonseed, cucumbers, grapes, hay, oats, onions, peaches, rye, sorghum grain, soybeans, tobacco, tomatoes, vegetables, watermelons, and wheat

Monopolistic Competition:

Chose the name of a well know local hair places, local restaurant, or a local hotel.

Oligopolies and Monopolies:

Choose from the list of corporations based in Georgia:

- The Home Depot Inc.
- United Parcel Service Inc.
- The Coca-Cola Co.
- Delta Air Lines Inc.
- Aflac Inc.
- Southern Co.- Georgia Power (Monopoly)
- Genuine Parts Co.
- First Data Corp.
- HD Supply Holdings Inc.

- Veritiv Corp.
- SunTrust Banks Inc.
- Mohawk Industries Inc.
- AGCO Corp.
- Asbury Automotive Group Inc.
- Coca-Cola European Partners
- NCR Corp.
- PulteGroup Inc.
- Newell Brands Inc.

Use Google to search the internet for:

Name of Company: _____	
<u>Market Characteristics</u>	<u>Detailed answers with examples and explanations</u>
How many firms compete with this Company	Source: Information:
Are the products sold by the business similar or different from their competitors?	Source: Information:
Do the businesses within this industry have control over the price they charge for the product they sell?	Source: Information:
Is it easy to enter the industry or are there barriers that make it difficult?	Source: Information:
Does the industry use non-price competition to differentiate their products?	Source: Information:
Based on your answers, in what type of competition does this business belong?	

Culminating Unit Performance Task

My Favorite Product

Students will choose a product and perform the following: research the four resources used to produce it, create headlines for the determinants of supply and demand, research a company that produces the product and decide which market structure the company competes, and how the business is organized.

GSE Standards and Elements	<p>SSEMI2 Explain how the law of demand, the law of supply, and prices work to determine production and distribution in a market economy.</p> <p>SSEMI3 Explain the organization and role of business and analyze the four types of market structures in the U.S. economy.</p>
<p>Literacy Standards</p> <p>Social Studies Matrices</p> <p>Enduring Understanding(s)</p>	<p>L9-10 RHSS7, RHSS9</p> <p>L11-12 RHSS7, RHSS9</p> <p>Information Processing 1, 3, 5, 9, 11, 12, 14, 15, 16</p> <p>Gains from Trade</p> <p>Incentives</p> <p>Interdependency</p> <p>Scarcity</p>

Microeconomics Project

The BEST Product Ever!

Create a visual presentation of your favorite product (good or service)! Please use your best judgment with your choice! You may use power point, publisher, or some other multimedia program which suits your needs. In selecting your product, think about something you use that you could not do without!

Instructions:

Your presentation must include:

- ❖ Explain the product and what it provides for consumers (utility!!).
- ❖ List the four resources and give several examples of how each factor of production is used to produce your good or service & where the resource might come from (Ex. Wood is a natural resource used in the production of pencils. Cedar (a wood) used to make pencils comes from northern California). Explain how these resources become your product using the Circular Flow Diagram.
- ❖ List all 4 determinants of supply and create a headline related to your invention for each determinant (these should be different than the ones presented in class!!!). Explain how the headlines will shift the supply curve left (decrease) or right (increase) & which way Price & Quantity will move as well.
- ❖ List all 6 determinants of demand and create a headline related to your invention for each determinant (these should be different than the ones presented in class!!!). Explain how the headlines will shift the demand curve left (decrease) or right (increase) & which way Price & Quantity will move as well.

❖ Provide the name of a company that currently produces your good or service locally or nationally (Don't use the company that sells the product...I want to know who produces the good or service). Include in your presentation the type of business organization in which this company operates (listing three specific advantages of this type of organization), as well as which of the four types of competition in which it operates (provide support as to why you chose this category—numbers of sellers (list of competitors), control over price, type(s) of products sold, etc.)

❖ Be sure to include MANY graphics & pictures, as well as provide any other information you find interesting related to economics or otherwise. All information must be in your own words (DO NOT copy and paste from the internet!).

❖ Project must be emailed to me. The project should be saved as your first and last name. You must also print a hard copy &/or have an electronic copy of your presentation to present to me should there be any technical difficulties.

Invention Choice: Due Date _____

Outline of Project: Due Date _____

Final Project Emailed: Due Date _____

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CATEGORY	4	3	2	1	Score
Graphics and Pictures; Invention Choice & Additional Information	Presentation contained many pictures and graphics. Unique choice of invention. Multiple additional facts included.	Presentation contained some pictures and graphics. Creative choice of invention. Few additional facts included.	Presentation contained a meager number of pictures and graphics. Good choice of invention. One or two additional facts included.	Presentation contained few pictures and graphics. Invention choice is unimaginative.	
Factors of Production: • List all 4 & Give Several Examples Related to your Invention for Each Resource	All 4 resources are represented in the presentation and are accurate; several examples are given for each resource.	4 resources are represented in the presentation and less than 3 are accurately described &/or only few examples are given for each	4 resources are represented in the presentation and less than 2 are accurate &/or only a couple of examples are given for each	Much of the information is incomplete and/or inaccurate pertaining to the 4 resources	
Determinants of Demand: • List all 6 & a related headline for each. • Explain the shift & the resulting price & quantity change.	All 6 determinants are represented and have 6 unique headlines with correct explanations (Make sure they are different from classroom examples)	All 6 determinants are represented and have 6 headlines; 2-5 errors with explanations and/or some headlines are similar to one's used in class	Same are level 3 with 6-8 errors.	Less than 6 headlines, headlines are not clear and/or not relevant to the determinant, may have more than 8 errors.	
Determinants of Supply: • List all 4 & a related headline for each. • Explain the shift & the resulting price & quantity change.	All 4 determinants are represented and have 4 unique headlines with correct explanations (Make sure they are different from classroom examples)	All 4 determinants are represented and have 4 headlines; 2-5 errors with explanations and/or some headlines are similar to one's used in class	Same are level 3 with 6-8 errors.	Less than 4 headlines, headlines are not clear and/or not relevant to the determinant, may have more than 8 errors.	
Business Example: • Organization- 3 Advantages • Type of Competition- 5 attributes covered	Company is listed; correct business organization & advantages listed; correct type of competition with attributes listed. Must contain real world examples.	Same as level 4 with 2-5 errors.	Same are level 3 with 6-8 errors.	Much of the information is incorrect or missing from the presentation.	