

Correlation of Social Studies Standards, Economics

To support social studies instruction in Tennessee and in response to concerns from the field over the differences between the current (2014) and revised (2019) Tennessee Academic Standards for Social Studies, the department has created a series of correlation documents. These documents show the links between the current (2014) and revised (2019) social studies standards. They are intended to serve as a model for educators to reference as they design units and become more familiar with the revised standards.

To prepare to use this document, teachers should thoroughly review it in its entirety. **The bolded portions of the revised (2019) standards show specific areas of new content.** This delineation within the standards will allow teachers to use a targeted approach when preparing materials and lessons. Teachers should focus on acquiring materials and lessons for the parts of the standard that are bolded as they may need further preparation to teach these topics; materials aligned to the un-bolded portions of the standards may only need refinement. In addition to thoughtful preparation using this document, there are additional components for which educators will need to plan and prepare. Districts (and teachers) should use their own judgment as to how best to use this document when preparing instruction.

Code	Revised (2019) Standards	Content Strand	Code	Current (2014) Standards
E.01	Explain how consumers and producers confront the condition of scarcity by making choices that involve opportunity costs and tradeoffs.	E	E.02	Explain how consumers and producers confront the condition of scarcity, by making choices that involve opportunity costs and tradeoffs. (E)
E.02	Define land, labor , capital, and entrepreneurship , and explain why they are necessary for the production of goods and services.	E, G	E.01	Define each of the productive resources (natural, human, capital) and explain why they are necessary for the production of goods and services. (E)
E.03	Explain reasons for voluntary exchange , including positive and negative incentives.	E	E.04	Describe how people respond predictably to positive and negative incentives. (C, E)
E.04	Describe the basic characteristics , and explain the functions of money, including its role as a medium of exchange, store of value, and unit of account.	E	E.49	Explain the basic functions of money including its role as a medium of exchange, store of value, unit of account. (E)
E.05	Compare and contrast how the various modern economic systems (i.e., market, command, mixed) attempt to answer the following questions: What to	C, E, P	E.06	Compare and contrast how the various economic systems (traditional, market, command, mixed) try to answer the questions: What to produce? How to produce it? For whom to produce? (E)

Code	Revised (2019) Standards	Content Strand	Code	Current (2014) Standards
	produce? How to produce it? To produce it for whom?			
E.06	Use a production possibilities curve to explain the concepts of: • Choice • Growth • Opportunity cost • Productivity • Scarcity • Tradeoffs • Unemployment	E	E.08	Use a production possibilities curve to explain the concepts of choice, scarcity, opportunity cost, tradeoffs, unemployment, productivity, and growth. (E)
E.07	Compare and contrast the theoretical principles of capitalism, socialism, and communism, as expressed through theorists such as Adam Smith and Karl Marx	C, E, H, P	E.09	Compare and contrast the theoretical principles of the economic systems of capitalism, socialism, and communism, and use historical examples to provide evidence of their effectiveness. (E, H)
E.08	Identify and explain the following broad goals of economic policy: • Efficiency • Equity • Freedom • Full employment • Growth • Price stability • Security	E	E.03	Identify and explain the broad goals of economic policy such as freedom, efficiency, equity, security, growth, price stability, and full employment. (C, E)
E.09	Define supply and demand, provide relevant examples, and consider <i>ceteris paribus</i> (i.e., all things being equal).	E	E.11	Define supply and demand, and provide relevant examples. (E)
E.10	Identify factors that cause changes in market supply and demand.	E, G, P	E.17	Identify factors that cause changes in market supply and demand. (E)
E.11	Use concepts of price elasticity of demand and supply to explain and predict changes in quantity as prices fluctuate.	E	E.21	Use concepts of price elasticity of demand and supply to explain and predict changes in quantity as prices fluctuate. (E)
E.12	Define market equilibrium , and explain how supply and demand guide prices towards equilibrium to avoid surpluses or shortages.	E	E.18	Demonstrate how changes in supply and demand influence equilibrium price and quantity in the product, resource, and financial markets. (E)
E.13	Describe how supply and demand determine equilibrium price, and graph examples on a curve.	E	E.16	Demonstrate how supply and demand determine equilibrium price and quantity in the product, resource, and financial markets, including drawing and reading supply and demand curves. (E)

Code	Revised (2019) Standards	Content Strand	Code	Current (2014) Standards
E.14	Describe causes of shortages and surpluses.	E, G, H	E.19	Demonstrate how government wage and price controls, such as rent controls and minimum wage laws, create shortages and surpluses. (E)
E.15	Analyze effects of shortages and surpluses on supply and demand.	E, G, H	E.19	Demonstrate how government wage and price controls, such as rent controls and minimum wage laws, create shortages and surpluses. (E)
E.16	Compare and contrast the following forms of business organization: sole proprietorship, partnership, and corporation.	E	E.23	Compare and contrast the following forms of business organization: sole proprietorship, partnership, and corporation. (E)
E.17	Explain the function of profit in a market economy as an incentive for entrepreneurs to accept the risks of business failure.	E	E.15	Explain the function of profit in a market economy as an incentive for entrepreneurs to accept the risks of business failure. (C, E)
E.18	Define stock , and describe the connections between capital, stock markets, banks, and the economy.	E, P	E.22	Explain how financial markets, such as the stock market, channel funds from savers to investors. (E)
E.19	Analyze the various ways and reasons that firms grow either through reinvestment of financial capital or through horizontal, vertical, and conglomerate mergers.	E	E.24	Analyze the various ways and reasons that firms grow either through reinvestment of financial capital obtained through retained earnings, stock issues and borrowing, or through horizontal, vertical, and conglomerate mergers. (E)
E.20	Summarize the role and historical impact of economic institutions (such as labor unions, multinationals, and nonprofit organizations) within market economies.	E, H	E.25	Analyze key details and central ideas from diverse forms of informational text to summarize the role and historical impact of economic institutions, such as labor unions, multinationals, and nonprofit organizations, in market economies. (E)
E.21	Identify the basic characteristics of monopoly, oligopoly, monopolistic competition, and perfect competition.	E	E.26	Identify the basic characteristics of monopoly, oligopoly, monopolistic competition, and pure competition. (H, E)

Code	Revised (2019) Standards	Content Strand	Code	Current (2014) Standards
E.22	Explain how competition impacts pricing and production in market structures .	E	E.27	Explain how competition among many sellers lowers costs and prices and encourages producers to produce more. (E)
E.23	Identify laws and regulations adopted in the U.S. to promote competition among firms.	E, H, P	E.35	Identify laws and regulations adopted in the United States to promote competition among firms. (E, H, P)
E.24	Explain ways that firms engage in price and non-price competition.	E	E.29	Explain ways that firms engage in price and non-price competition. (E)
E.25	Describe the characteristics of natural monopolies and the purposes of government regulation of these monopolies (such as utilities).	E, P	E.36	Describe the characteristics of natural monopolies and the purposes of government regulation of these monopolies, such as utilities. (E, P)
E.26	Demonstrate how firms with market power can determine price and output.	E	E.28	Demonstrate how firms with market power can determine price and output through marginal analysis. (E)
E.27	Explore the roles that research and development, equipment and technology, and the training of workers have in increasing productivity.	E	E.30	Examine informational text in diverse formats and media to analyze how investment in research and development, equipment and technology, and training of workers increases productivity. (E)
E.28	Describe potential factors that influence the earnings of workers.	E	E.31	Describe how the earnings of workers are determined by the market value of the product produced or service provided, workers' productivity, incentives, collective bargaining, and discrimination. (E)
E.29	Describe methods of revenue (e.g., taxes and bonds) for governments, and explain ways that they allocate funds.	E, P	E.34	Describe major revenue and expenditure categories and their respective proportions of local, state, and federal budgets. (E, P)
E.30	Analyze reasons that government deficits, debts, and surpluses are accrued, and compare and contrast government budgets with personal budgets.	E, H, P	NEW	NEW STANDARD

Code	Revised (2019) Standards	Content Strand	Code	Current (2014) Standards
E.31	Define progressive, proportional, and regressive taxation, and discuss how federal, state, and local governments utilize them.	E, P, T	E.37	Define progressive, proportional, and regressive taxation. (E, H, P)
E.32	Analyze economic costs and benefits of government policies (e.g., Social Security, Medicare, earned income credits, military expenditures, and public education).	E, H, P	E.38	Use appropriate informational text to analyze costs and benefits of government policies (Social Security, Medicare, Earned Income credits) and cite evidence from multiple sources to argue for or against one example of such a government policy or program. (E, H, P)
E.33	Explore potential national debt management strategies, considering their feasibility and implications.	C, E, H, P, T	E.39	Research textual evidence in diverse formats to write a problem-solution piece recommending a course of action in regard to the national debt. (E, P)
E.34	Describe the purpose, role, and function of the Federal Reserve.	E, H, P	E.42	Analyze how the Federal Reserve uses monetary tools to promote price stability, full employment, and economic growth. (E, P)
E.35	Define fiscal and monetary policy, and explain how the government uses these in its efforts to influence the economy.	E, P	E.40	Define and explain fiscal and monetary policy and the various schools of thought including Keynesian, Supply-siders, and Monetarists on how, when and if these policies should be used to stabilize the economy. (E, P)
E.36	Explain how price stability, full employment, and economic growth influence fiscal and monetary policy making.	E, P	E.41	Analyze how the government uses taxing and spending decisions (fiscal policy) to promote price stability, full employment, and economic growth. (E, P)
E.37	Compare the various schools of thought on governmental intervention in the economy, including: classical (Adam Smith), demand-siders (John Maynard Keynes), the Austrian school (Friedrich Hayek), supply-siders (Arthur Laffer), and Monetarists (Milton Friedman).	E, H, P	NEW	NEW STANDARD

Code	Revised (2019) Standards	Content Strand	Code	Current (2014) Standards
E.38	Analyze how governments intend to incentivize entrepreneurs through policies (e.g., tax, regulatory, education, research support policies, patents, and copyrights).	E, H, P	E.32	Analyze the role and productivity of entrepreneurs in a free-enterprise system and how entrepreneurial decisions are influenced by tax, regulatory, education, and research support policies. (E, C)
E.39	Define gross domestic product (GDP), economic growth, unemployment, and inflation, and explain how they are calculated .	E, P	E.43	Define aggregate supply and demand, Gross Domestic Product (GDP), economic growth, unemployment, and inflation. (E)
E.40	Define externalities, and identify examples of them.	E	E.45	Analyze the impact of events in United States history, such as wars and technological developments, on business cycles. (E, H)
E.41	Identify the different causes of inflation, and analyze inflation's impact.	C, E, P	E.46	Identify the different causes of inflation, and explain who gains and loses because of inflation. (E)
E.42	Explain the role of banks and other financial institutions in the U.S. economy.	E, P	E.52	Explain the role of banks and other financial institutions in the economy of the United States. (E)
E.43	Differentiate between different types of unemployment (e.g., structural, frictional, seasonal, underemployment, and cyclical).	E, G, P	NEW	NEW STANDARD
E.44	Describe the impact of investment and consumer debt as it relates to the national economy.	E, P	NEW	NEW STANDARD
E.45	Explain the benefits of trade among individuals, regions, and countries.	E, G, P	E.54	Examine evidence in informational texts to explain the benefits of trade among individuals, regions, and countries. (E, G)
E.46	Define and distinguish between absolute and comparative advantage, and explain how most trade occurs because of a comparative advantage.	E, G	E.55	Define and distinguish between absolute and comparative advantage and explain how most trade occurs because of a comparative advantage in the production of a particular good or service. (E, G)

Code	Revised (2019) Standards	Content Strand	Code	Current (2014) Standards
E.47	Describe causes and consequences of trade barriers (e.g., quotas, tariffs, and subsidies) on consumers and producers .	E, G, P, T	E.56	Define trade barriers, such as quotas and tariffs. (E, G)
E.48	Define trade deficit, and identify reasons why trade deficits exist.	E, P	E.58	Explain the difference between balance of trade and balance of payments. (E, G)
E.49	Explain how changes in exchange rates impact the purchasing power of people in the U.S. and other countries.	E, G, P	E.57	Explain why countries sometimes erect barriers to trade such as quotas and tariffs, or through subsidies to domestic producers and the consequences of those trade barriers and subsidies on consumers and producers. (E, G, H)
			E.58	Explain the difference between balance of trade and balance of payments. (E, G)
E.50	Evaluate the arguments for and against free trade.	E, G, P	E.58	Explain the difference between balance of trade and balance of payments. (E, G)