Economics: Examples of changes to the Michigan Social Studies Standards

The changes in high school economics focused on consolidation to eliminate redundancy. All topics from the 2007 standards are reflected in the 2019 standards. Some content additions were made (such as marginal analysis, price floors, and price ceilings) to support universal understanding of common economic concepts.

The largest change came in the personal finance area of economics: the standards now emphasize important personal finance topics of earning income, buying goods and services, saving, using credit, financial investing, and protecting and insuring. Additionally, the 2019 updated standards provide much clearer direction to teachers of the desired learning outcomes.

Content expectation consolidated to reduce redundancy

2007

2.1.5 Gross Domestic Product (GDP) and Economic Growth – Use GDP data to measure the rate of economic growth in the United States and identify factors that have contributed to this economic growth

2.1.6 Unemployment – Analyze the character of different types of unemployment including frictional, structural, and cyclical.

2019

2.1.2 Economic Indicators – using a number of indicators, such as gross domestic product (GDP), per capita GDP, unemployment rates, and consumer price index, analyze the current and future state of an economy.

Changes to make language more inclusive

2007

1.4.4 Functions of Government – Explain the various functions of government in a market economy including the provision of public goods and services, the creation of currency, the establishment of property rights, the enforcement of contracts, correcting for externalities and market failures, the redistribution of income and wealth, regulation of labor (e.g., minimum wage, child labor, working conditions), and the promotion of economic growth and security.

2019

1.4.4 Market Failure – explain the role for government in dealing with both negative and positive externalities. Examples may include but are not limited to: pollution, vaccinations, education, medical research, government/private partnerships.

Terminology changed to strengthen the consistent use of academic vocabulary

2007

1.2.1 Business Structures – Compare and contrast the functions and constraints facing economic institutions including small and large businesses, labor unions, banks, and households.

2019

1.2.1 Institutions – describe the roles of various economic institutions and purposes they serve in a market economy. Examples may include but are not limited to: banks, labor unions, markets, corporations, co-operatives, sole proprietorships, partnerships, and not-for- profit organizations.

Content expectation changed to encourage higher-level thinking

2007

2.2.1 Federal Government and Macroeconomic Goals – Identify the three macroeconomic goals of an economic system (stable prices, low unemployment, and economic growth).

2019

2.2.1 Government Involvement in the Economy – evaluate the three macroeconomic goals of an economic system (stable prices, low unemployment, and economic growth).

Content expectation changed to add more clarity and direction

2007

4.1.1 Scarcity and Opportunity Costs – Apply concepts of scarcity and opportunity costs to personal financial decision making.

2019

4.1.1 Earning Income – conduct research regarding potential income and employee benefit packages, non-income factors that may influence career choice, benefits and costs of obtaining the necessary education or technical skills, taxes a person is likely to pay, and other possible sources of income.
Examples may include but are not limited to: interest, dividends, capital appreciation, income support from the government, social security.

Revised structure within grade/subject

2007

1.3.2 Price, Equilibrium, Elasticity, and Incentives – analyze how prices change through the interaction of buyers and sellers in a market, including the role of supply, demand, equilibrium, and elasticity, and explain how incentives (monetary and non- monetary) affect choices of households and economic organizations.

2019

1.3.3 Price, Equilibrium, Elasticity, and Incentives – analyze how prices change through the interaction of buyers and sellers in a market, including the role of supply, demand, equilibrium, and elasticity, and explain how incentives (monetary and non- monetary) affect choices of households and economic organizations.