



INDIANA  
DEPARTMENT of  
EDUCATION

# 2024 INDIANA CONTENT CONNECTORS SOCIAL STUDIES

## ECONOMICS



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## Indiana Content Connectors Context and Purpose

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### Introduction

The Indiana Content Connectors for Economics are the result of a process designed to identify, evaluate, synthesize, and create high-quality learning expectations for Indiana students with significant cognitive disabilities.

The Indiana Department of Education (IDOE) convened stakeholder committees to review proposed revisions to Indiana’s Alternative Standards, known as content connectors. The content connectors are designed to measure the knowledge and skills of students with the most significant cognitive disabilities and are assessed with the state’s alternate assessment. The content connectors are designed to ensure that all Indiana students in this population are prepared with essential knowledge and skills needed to access employment, enrollment, or enlistment leading to service.

### What are the Content Connectors and how should they be used?

The Indiana Content Connectors are designed to help educators, parents, students, and community members understand the necessary content for each grade level, and within each content area domain, to access employment, enrollment, or enlistment leading to service. These content connectors should form the basis for strong core instruction for all students at each grade level and content area. The content connectors identify the minimum academic content or skills to which Indiana students need access in order to be prepared for success after graduation, but they are not an exhaustive list.

While the Indiana Content Connectors establish key expectations for knowledge and skills and should be used as the basis for curriculum, the content connectors by themselves do not constitute a curriculum. It is the responsibility of the local school corporation to select and formally adopt curricular tools, including textbooks and any other supplementary materials, that align with Indiana Content Connectors. Additionally, corporation and school leaders should consider the appropriate instructional sequence of the content connectors as well as the length of time needed to teach each one. Every content connector has a unique place in the continuum of learning, but each content connector will not require the same amount of time and attention. A deep understanding of the vertical articulation of the standards will enable educators to make the best instructional decisions. These content connectors must also be complemented by robust, evidence-based instructional practices to support overall student development. By utilizing strategic and intentional instructional practices, other areas such as STEM and employability skills can be integrated with the content connectors.

### Acknowledgments

IDOE appreciates the time, dedication, and expertise offered by Indiana's K-12 general and special educators, higher education professors, representatives from business and industry, families, and other stakeholders who contributed to the development of the Indiana Content Connectors. We wish to specially acknowledge the committee members, as well as participants in the public comment period, who dedicated many hours to the review and evaluation of these content connectors designed to prepare Indiana students for success after graduation.

## Economics

*Standards and content connectors identified as essential for mastery by the end of the course are indicated with gray shading and an “E.”*

Indiana Academic Standards	Content Connectors
<b>Scarcity and Economic Reasoning</b>	
<b>E.1.1:</b> Define and identify each of the productive resources (i.e., natural, human, capital) and explain why each is necessary for the production of goods and services. (E)	<b>E.1.1a:</b> Match a productive resource (i.e., natural, human, capital) to its role in producing goods and services. (E)
<b>E.1.2:</b> Identify incentives and explain how they influence economic behavior and decision-making.	<b>E.1.2a:</b> Identify incentives and how positive and negative incentives work to influence economic behavior.
<b>E.1.3:</b> Explain that voluntary exchange occurs when households, businesses, and governments expect to gain.	<b>E.1.3a:</b> Identify why households, businesses, and governments engage in voluntary exchange.
<b>E.1.4:</b> Define scarcity, and explain how choices incur opportunity costs and trade-offs. (E)	<b>E.1.4a:</b> Describe how scarcity leads to choices, and identify the opportunity costs associated with decisions. (E)
<b>E.1.5:</b> Use a production possibilities curve to explain the concepts of choice, scarcity, opportunity cost, trade offs, unemployment, productivity, and growth.	<b>E.1.5a:</b> Use a production possibilities curve to show trade offs and opportunity costs.
<b>E.1.6:</b> Describe and compare the various economic systems (i.e., traditional, market, command, mixed); explain their strengths and weaknesses. (E)	<b>E.1.6a:</b> Identify the characteristics of traditional, market, and command economies.
<b>E.1.7:</b> Describe how clearly defined and enforced property rights are essential to a market economy.	<b>E.1.7a:</b> Identify why property rights are important to market economies.
<b>E.1.8:</b> Illustrate how investment in physical and human capital can raise productivity and future standards of living. (E)	<b>E.1.8a:</b> Identify how investment in capital (physical and human) leads to increased productivity. (E)
<b>E.1.9:</b> Diagram and explain the circular flow of a market economy.	<b>E.1.9a:</b> Use a circular flow diagram to show how money flows from businesses to households, and from households to businesses.

2024 Indiana Content Connectors: Economics

Supply and Demand	
<b>E.2.1:</b> Define supply and demand, and explain the causes of the Law of Supply and the Law of Demand. (E)	<b>E.2.1a:</b> Define the Law of Supply and the Law of Demand. (E)
<b>E.2.2:</b> Recognize that consumers ultimately determine what is produced in a market economy.	<b>E.2.2a:</b> Identify that consumers determine what is produced.
<b>E.2.3:</b> Illustrate how supply and demand determine equilibrium price and quantity.	<b>E.2.3a:</b> Identify the equilibrium price and quantity on a market supply and demand graph.
<b>E.2.4:</b> Identify factors that cause changes in market supply and demand and how these changes affect price and quantity in a competitive market.	<b>E.2.4a:</b> Identify factors that cause changes in market supply and demand.
<b>E.2.5:</b> Describe how price elasticity of supply and price elasticity of demand send signals to buyers and sellers.	<b>E.2.5a:</b> Describe factors other than price that might affect the number of items purchased.
<b>E.2.6:</b> Describe how the earnings of workers are determined by a number of factors including the market value of the product produced, workers' productivity, the amount of human capital held by workers, collective bargaining, and discrimination. (E)	<b>E.2.6a:</b> Identify factors that determine how much workers are paid. Examples: market value of the product produced, workers' productivity, and collective bargaining. (E)
Market Structures	
<b>E.3.1:</b> Explain the advantages and disadvantages of various types of firms including sole proprietorships, partnerships, and corporations.	<b>E.3.1a:</b> Describe sole proprietorships, partnerships, and corporations.
<b>E.3.2:</b> Compare and contrast the basic characteristics of the four market structures: monopoly, oligopoly, monopolistic competition, and pure competition.	<b>E.3.2a:</b> Describe monopolies and competitive markets.
<b>E.3.3:</b> Explain how competition in markets affects price and quantity. (E)	<b>E.3.3a:</b> Identify how competition in markets affects price and quality. (E)

2024 Indiana Content Connectors: Economics

Role of Government	
<b>E.4.1:</b> Explain how market failures may result in the underproduction of public goods and explain the role of government in addressing those failures.	<b>E.4.1a:</b> Define public goods and identify how market failures lead to underproduction of public goods.
<b>E.4.2:</b> Explain how markets underproduce public goods, and explain why the government has an interest in producing these public goods. (E)	<b>E.4.2a:</b> Identify why the government has an interest in the production of public goods and services. (E)
<b>E.4.3:</b> Describe how the government taxes negative externalities (spillovers) and subsidizes positive externalities to resolve the inefficiencies they cause.	<b>E.4.3a:</b> Identify how the government subsidizes positive externalities to resolve inefficiencies or why the government taxes negative externalities.
<b>E.4.4:</b> Describe the major revenue and expenditure categories in state and federal budgets and their respective proportions, and the challenges of achieving a balanced budget. (E)	<b>E.4.4a:</b> Describe challenges that state and federal governments face in achieving a balanced budget. (E)
<b>E.4.5:</b> Determine whether different types of taxes (e.g., income tax, sales tax, and Federal Income Contributions Act [FICA] tax including Social Security and Medicare) are progressive, proportional, or regressive. (E)	<b>E.4.5a:</b> Identify personal income tax as a progressive tax, sales tax, and Federal Income Contributions as a regressive tax. (E)
<b>E.4.6:</b> Define budget debt and budget deficit and distinguish between the two. Explain the effects of both on the economy. (E)	<b>E.4.6a:</b> Describe budget debt and budget deficit and identify an effect of both on the economy. (E)
National Economic Performance	
<b>E.5.1:</b> Explain measures of a country's economic performance such as gross domestic product (GDP), unemployment, and inflation.	<b>E.5.1a:</b> Describe gross domestic product (GDP), unemployment, and inflation.
<b>E.5.2:</b> Recognize that a country's overall level of income, employment, and prices are determined by rational spending and production decisions of households, firms, and government.	<b>E.5.2a:</b> Describe how rational spending of households, businesses, and government impacts a country's overall income, employment, and price level.
<b>E.5.3:</b> Explain the limitations of using GDP to measure economic welfare.	<b>E.5.3a:</b> Identify the limitations of using GDP to measure economic welfare.

2024 Indiana Content Connectors: Economics

<b>E.5.4:</b> Identify the different causes of inflation (i.e., cost-push and demand-pull), and explain the impact of inflation on economic decisions. (E)	<b>E.5.4a:</b> Identify the causes of inflation (i.e., cost-push and demand-pull). (E)
<b>E.5.5:</b> Explain the causes and effects of business cycles in a market economy.	<b>E.5.5a:</b> Describe the business cycle in a market economy.
<b>E.5.6:</b> Explain frictional, structural, cyclical, and seasonal unemployment, and analyze the impact of unemployment.	<b>E.5.6a:</b> Identify the different types of unemployment, including structural, cyclical, frictional, and seasonal.
<b>Money and the Role of Financial Institutions</b>	
<b>E.6.1:</b> Explain the basic functions of money.	<b>E.6.1a:</b> Identify a function of money. <ul style="list-style-type: none"> <li>● <b>Examples:</b> store of value (holds value over time), medium of exchange, unit of account (a common measure of value of goods and services).</li> </ul>
<b>E.6.2:</b> Explain the role financial institutions play among savers, borrowers, and investors. (E)	<b>E.6.2a:</b> Identify the role banks or other financial institutions play for savers, borrowers, and investors. (E)
<b>E.6.3:</b> Demonstrate how banks create money through the principle of fractional reserve banking.	<b>E.6.3a:</b> Identify how banks create money when loans are made and the role that the fractional reserve plays in the process.
<b>E.6.4:</b> Describe the structure and functions of the Federal Reserve System. (E)	<b>E.6.4a:</b> Identify the different functions of the Federal Reserve, including regulating the money supply, regulating banks, and providing financial services to the U.S. Government.
<b>E.6.5:</b> Explain how interest rates act as an incentive for savers and borrowers. (E)	<b>E.6.5a:</b> Identify how interest rates benefit savers and borrowers. (E)
<b>E.6.6:</b> Compare and contrast different types of financial investments. (E)	<b>E.6.6a:</b> List two or more ways to invest money to save for the future. (E) <ul style="list-style-type: none"> <li>● <b>Examples:</b> <ol style="list-style-type: none"> <li>1. Stocks</li> <li>2. Bonds</li> <li>3. Savings accounts</li> </ol> </li> </ul>

2024 Indiana Content Connectors: Economics

<b>E.6.7:</b> Demonstrate how supply and demand determine equilibrium price and quantity in the financial markets.	<b>E.6.7a:</b> Identify equilibrium price and quantity on a supply and demand graph.
<b>Economic Stabilization</b>	
<b>E.7.1:</b> Define and explain fiscal and monetary policy. (E)	<b>E.7.1a:</b> Define fiscal and monetary policy.
<b>E.7.2:</b> Explain the tools of fiscal and monetary policy. (E)	<b>E.7.2a:</b> Identify the tools of fiscal policy (government spending and taxes) and the tools of monetary policy (interest rates, reserve requirements, buying and selling of treasury bonds).
<b>E.7.3:</b> Analyze how the government uses fiscal policy to promote price stability, full employment, and economic growth.	<b>E.7.3a:</b> Identify the ways the government uses fiscal policy to promote economic stability, full employment, and economic growth.
<b>E.7.4:</b> Explain how the use of fiscal policy affects budget deficits or surpluses and the national debt.	<b>E.7.4a:</b> Identify how the use of fiscal policy affects budget deficits or surpluses and the national debt. <ul style="list-style-type: none"> <li>● <b>Example:</b> an increase in government spending and decrease in taxes leads to increased deficits.</li> </ul>
<b>E.7.5:</b> Analyze how the Federal Reserve uses monetary policy to promote price stability, full employment, and economic growth. (E)	<b>E.7.5a:</b> Identify the ways the Federal Reserve uses monetary policy to promote economic stability, full employment, and economic growth.
<b>Trade</b>	
<b>E.8.1:</b> Define and explain the impact of trade barriers, such as quotas and tariffs, and analyze why countries erect them.	<b>E.8.1a:</b> Define trade barriers and identify why a country erects them.
<b>E.8.2:</b> Compare and contrast the arguments for and against free trade.	<b>E.8.2a:</b> Define free trade and identify one reason for and one reason against free trade.