



## Economics - Unit 2 - Free Trade

Unit Focus
Students will learn about the concept of opportunity cost and how economists have applied this concept to better understand the potential benefits and costs of free trade and globalization. After learning about the economic theories underpinning free trade agreements, students will then go on to evaluate the effects those agreements have and whether or not their benefits are worth the costs.

### STAGE 1: DESIRED RESULTS – KEY UNDERSTANDINGS

ESTABLISHED GOALS	TRANSFER	
<p><b>C3 Framework for Social Studies State Standards</b>  <i>Social Studies: 10</i>            921845 Dimension 1. Developing Questions &amp; PLANNING INQUIRIES            921846 Constructing Compelling Questions            921847 INDIVIDUALLY AND WITH OTHERS, STUDENTS CONSTRUCT COMPELLING QUESTIONS, AND ...            • D1.2.9-12. Explain points of agreement and disagreement experts have about interpretations and applications of disciplinary concepts and ideas associated with a compelling question.            921857 Dimension 2. Applying Disciplinary Concepts &amp; TOOLS            921879 ECONOMICS            921880 Economic Decision Making            921881 INDIVIDUALLY AND WITH OTHERS, STUDENTS...            • D2.Eco.1.9-12. Analyze how incentives influence choices that may result in policies with a range of costs and benefits for different groups.            921899 The Global Economy            921900 INDIVIDUALLY AND WITH OTHERS, STUDENTS...            • D2.Eco.14.9-12. Analyze the role of comparative advantage in international trade of goods and services.            • D2.Eco.15.9-12. Explain how current globalization trends and policies affect economic growth, labor markets, rights of citizens, the environment, and resource and income distribution in different nations            921950 Dimension 3. Evaluating Sources &amp; USING EVIDENCE            921951 Gathering and Evaluating Sources            921952 INDIVIDUALLY AND WITH OTHERS, STUDENTS...</p>	T1 Trace key events, statistics, and development of ideas/innovations over time to determine patterns.	T2 Respectfully and responsibly work with others through the exchange and evaluation of ideas to achieve a common objective.
	MEANING	
	UNDERSTANDINGS	ESSENTIAL QUESTIONS
	U1 Thinking about opportunity costs is a powerful way that economists analyze decisions	Q1 How do economists think about the costs associated with choices?
	U2 Economic thinking relies on models, and the extent to which economists can accurately predict real-world impacts of policies mirrors the extent to which those models are accurate and complete	Q2 How can economic thinking be used to prove the benefit of a particular policy? In what ways can that thinking be flawed?  Q3 Do free trade policies result in benefits for the nations that pursue them?
	U3 Free trade policies impact different segments of the economy in different ways, and like any policy, generates sets of winners and losers	
	ACQUISITION OF KNOWLEDGE AND SKILL	
	KNOWLEDGE	SKILLS
K1 Different definitions of globalization	S1 Calculating opportunity costs	
K2 Opportunity cost	S2 Using models to represent opportunity cost	
K3 Production possibilities frontier	S3 Determining whether a potential trade is fair	
K4 Comparative advantage	S4 Evaluating causes and effects of free trade	

**STAGE 1: DESIRED RESULTS – KEY UNDERSTANDINGS**

- D3.1.9-12. Gather relevant information from multiple sources representing a wide range of views while using the origin, authority, structure, context, and corroborative value of the sources to guide the selection.  
*921959 Dimension 4. Communicating Conclusions & Taking INFORMED ACTION*  
*921960 Communicating Conclusions*  
*921961 INDIVIDUALLY AND WITH OTHERS, STUDENTS USE WRITING, VISUALIZING, AND SPEAKING TO...*
- D4.1.9-12. Construct arguments using precise and knowledgeable claims, with evidence from multiple sources, while acknowledging counterclaims and evidentiary weaknesses.  
*921969 Taking Informed Action*  
*921970 INDIVIDUALLY AND WITH OTHERS, STUDENTS...*
- D4.8.9-12. Apply a range of deliberative and democratic strategies and procedures to make decisions and take action in their classrooms, schools, and out-of-school civic contexts.

**Student Growth and Development 21st Century Capacities Matrix**

*Critical Thinking*

- Synthesizing: Students will be able to thoughtfully combine information/data/evidence, concepts, texts, and disciplines to draw conclusions, create solutions, and/or verify generalizations for a given purpose.

*Self-Direction*

- Decision Making: Students will be able to propose ethical, responsible decisions based on data/evidence and context.

K5 Absolute advantage  
 K6 Gains from trade