

Text of Adopted New 19 TAC

Chapter 113. Texas Essential Knowledge and Skills for Social Studies

Subchapter C. High School

§113.29. Foundations of Economics (One Credit), Adopted 2026.

- (a) Implementation. The provisions of this section shall be implemented by school districts beginning with the 2033-2034 ~~[2026-2027]~~ school year.
- (b) General requirements. This course is recommended for students in Grades 11 and 12. Students shall be awarded one credit for successful completion of this course. Students may not be awarded credit for both this course and the Economics with Emphasis on the Free Enterprise System and Its Benefits course adopted under this subchapter.
- (c) Introduction.
 - (1) Foundations of Economics is the culmination of the economic content and concepts studied from Kindergarten through required secondary courses. Beginning with the history of economic thought, the focus is on microeconomic principles concerning production, consumption, and distribution of goods and services (the problem of scarcity) in the United States and a comparison with those in other countries around the world. Students analyze the interaction of supply, demand, and price. Students will investigate the macroeconomic concepts of specialization and trade, economic growth, key economic measurements, and monetary and fiscal policy. Students will study the roles of the Federal Reserve System and other financial institutions, government, and businesses in a free enterprise system. Types of business ownership and market structures are discussed. Students apply critical-thinking skills using economic concepts to evaluate the costs and benefits of economic issues.
 - (2) The primary purpose of Texas and American social studies is to educate students to become responsible, self-governing citizens who respect the rights of their fellow citizens and who cherish liberties and laws. Over the course of multiple grades:
 - (A) students understand how to emulate the preservation of liberty as citizens who value the idea of civic virtue under the Constitution;
 - (B) students understand that a constitutional republic is a representative form of government whose elected leaders derive their authority from the consent of the governed and are sworn to uphold the Constitution. Students also understand that the United States was formed as a federal republic, a union of sovereign states, with a general government formed for limited purposes; and
 - (C) students understand the benefits of the United States free enterprise system, also referred to as capitalism or the free market system. This system, predicated on limited government and strong property rights, emphasizes the individual exercise of economic decisions without government interference, allowing people the opportunity to prosper.
 - (3) Student expectations are organized around key topics, identified as knowledge and skills statements. Within each key topic, expectations address concepts as they relate to these topics chronologically. Where key topics are thematic rather than chronological, incorporate these thematic concepts into stories and history to create schema for understanding.
 - (4) Student expectations within each knowledge and skills key topic address the statutory requirements listed in paragraph (6) of this subsection while also making continual connections across those key topics and grade levels. Student expectations are organized chronologically through recurring strands coded at the end of each student expectation. Strands include:
 - (A) History (World, United States, and Texas), coded with H;
 - (B) Government and Civics, coded with G/Civ;

- (C) Geography and Culture, coded with Geo/C;
- (D) Economics, coded with E; and
- (E) Social Studies Skills, based on disciplinary thinking skills, coded with S.
- ~~(5) Social studies instruction should emphasize the acquisition of historical, geographic, economic, and civic knowledge while using social studies skills to strengthen understanding of significant people, places, events, ideas, and institutions. Where appropriate, skills should include:~~
- ~~[(5) Social studies skills are incorporated into the teaching of social studies content. Students use social studies practices to demonstrate understanding and apply reasoning to the study of people, places, issues, and events. A greater depth of understanding of complex content material is attained when social studies content and disciplinary thinking skills are taught together. Skills should include:]~~
 - (A) analyze economic data, including graphs, charts, and statistical models, to identify patterns, draw conclusions, and make evidence-based predictions about economic trends (E, S);
 - (B) construct and defend an evidence-based economic argument and use reasoning to connect evidence to the claim (E, S);
 - (C) engage in civil discourse about economics topics, including those with multiple perspectives(G/Civ, E, S); and
 - (D) evaluate the reliability, bias, and perspective of economic sources to determine their validity in supporting an economic argument (E, S).
- (6) Student expectations embed relevant statutory requirements, including:
 - (A) Texas Education Code (TEC), §28.002(a)(1)(D)--Social Studies, consisting of Texas, United States, and world history; government; economics, with emphasis on the free enterprise system and its benefits; and geography;
 - (B) TEC, §28.002(a)(2)(G)--Religious Literature, including the Hebrew Scriptures (Old Testament) and New Testament, and its impact on history and literature;
 - (C) TEC, §28.002(h)--Informed American Patriotism, Texas History, and the Free Enterprise System;
 - (D) TEC, §28.002(h-1)(1)-(3), (h-2)(1)-(3), and (h-3)--Knowledge of Civics;
 - (E) TEC, §28.002(h-1)(4)--Founding documents and primary sources of the United States;
 - (F) TEC, §28.002(h-11) and (h-12)--Understanding of Communist Regimes and Ideologies (for Grades 4 and higher);
 - (G) TEC, §28.0022--Certain instructional requirements and prohibitions;
 - (H) TEC, §29.907--Celebrate Freedom Week;
 - (I) TEC, §29.9071--Texas Military Heroes Day; and
 - (J) TEC, §29.9072--Holocaust Remembrance Week.
- (7) There is no effective study of social studies without review of primary sources. In certain circumstances, specific primary sources are named in the Texas Essential Knowledge and Skills (TEKS), but instructional materials should include additional primary sources relevant to subjects identified in the TEKS. Primary sources are embedded as appropriate within the context of the study of history. Additional primary source material, including written documents, visual sources, audio and audio-visual sources, oral sources, and artifacts are encouraged. Primary source material should be used where appropriate and must be used when identified in a student expectation. In early grades, before students have requisite reading skills to read directly from copies of primary sources, the primary source materials should be included as a visual aid.

- (8) To support the teaching of essential knowledge and skills, the use of a variety of rich material is encouraged. Where appropriate, local topics should be included to create relevance. Motivating resources are available from museums, historical sites, presidential libraries, local and state civic offices, and preservation societies.
- (9) The list of places, events, and people in this course curriculum is not considered exhaustive. Additional examples aligned with statutes listed in paragraph (6) of this subsection can be incorporated as time permits. Statements that contain the word "including" reference content that must be mastered.
- (d) Knowledge and skills.
- (1) History of Economic Thought. The student understands the history and theories of economics. The student is expected to:
- (A) define economics (E); ~~and~~
- (B) identify the relationship between virtue, including trust, courage, and justice, and individual economic endeavors in historical and religious texts, including the Torah and the Old Testament (H, E, S) ; ~~;~~
- ~~(C) compare mercantilism and economic nationalism using primary and secondary sources (H, G/Civ, E, S);~~
- ~~[(2) History of Economic Thought. The student understands the economics of mercantilism and economic nationalism. The student is expected to compare mercantilism and economic nationalism using primary and secondary sources (H, G/Civ, E, S).]~~
- ~~[(3) History of Economic Thought. The student understands classical economics. The student is expected to:~~
- ~~[(A) describe classical economics (E);~~
- ~~(D) [(B)] explain the principles of free enterprise described in "An Inquiry into the Nature and Causes of the Wealth of Nations" by Adam Smith, including competition, division of labor, and limited government involvement in the economy (H, G/Civ, E, S); and~~
- ~~[(C) summarize the economic theories of Alexis de Tocqueville by using excerpts from "Democracy in America" (H, G/Civ, E, S); and~~
- ~~(E) [(D)] explain how individual character traits, including responsibility and work ethic, were believed to contribute to economic success in classical economic thought (H, G/Civ, E, S).~~
- ~~(2) [(4)] History of Economic Thought. The student understands the economics of socialism and communism. The student is expected to:~~
- ~~(A) explain how socialism is a step towards communism according to Marx (H, G/Civ, E, S);~~
- ~~[(A) explain how Karl Marx and Friedrich Engels described socialism as a transitional stage toward communism in the Communist Manifesto, including increased collective ownership of major industries, continued class conflict between workers and owners, and the goal of achieving a classless society (H, G/Civ, E, S);]~~
- ~~(B) compare the role of individual effort and personal responsibility in the American free enterprise system with government or collective control in socialism and communism (H, G/Civ, E); and~~
- ~~(C) contrast virtue, character, and individual economic endeavors central to the American free enterprise system with socialism and communism (H, G/Civ, E, S).~~
- ~~(3) [(5)] History of Economic Thought. The student understands the ideas of limited government in neoclassical economics. The student is expected to:~~
- ~~(A) define ~~describe~~ neoclassical economics (E); ~~and~~~~

- (B) explain that ~~the basic ideas of neoclassical economics and how economists, including~~ Friedrich Hayek ~~and Milton Friedman,~~ emphasized individual choice, ~~decentralized decision-making~~ market competition, and limited government intervention in the economy (H, E); and [.]
- (C) explain that Milton Friedman supported free-market economics through competition, consumer choice, and limited government involvement in the economy (H, E).
- ~~[(6) History of Economic Thought. The student understands economic and political freedom. The student is expected to analyze the relationship between economic and political freedom using primary and secondary sources (H, G/Civ, E, S).]~~
- (4) ~~[(7)]~~ Scarcity and Opportunity Cost (Micro). The student understands how scarcity influences economic decisions and the role of factors of production in the creation of goods and services ~~[the role of capital in the production of goods and services]~~. The student is expected to:
- (A) define economic opportunity (E);
- (B) explain scarcity in terms of opportunity cost (E);
- (C) ~~[(A)]~~ explain the four factors of production, including land, labor, capital, and entrepreneurs (E);
- ~~[(B) explain types of capital, including physical capital and human capital (E);]~~
- (D) ~~[(C)]~~ explain how ~~the~~ types of capital can produce goods and services (E, S); and
- (E) ~~[(D)]~~ define types of goods as durable, non-durable, consumer, and capital, and define services (E); [;and]
- ~~[(E) define services (E).]~~
- ~~[(8) Scarcity and Opportunity Cost (Micro). The student understands opportunity in economics. The student is expected to:]~~
- ~~[(A) define economic opportunity (E); and]~~
- ~~[(B) explain scarcity in terms of opportunity cost (E).]~~
- (5) ~~[(9)]~~ Scarcity and Opportunity Cost (Micro). The student understands the role of producers and consumers in scarcity and opportunity costs. The student is expected to:
- (A) explain how choices involve tradeoffs and result in opportunity cost in decision-making (E, S);
- (B) explain how societies answer the fundamental economic question of what to produce when faced with scarcity and tradeoffs (G/Civ, E, S);
- (C) explain how societies answer the fundamental economic question of how to produce when faced with scarcity and tradeoffs (G/Civ, E, S);
- (D) explain how societies answer the fundamental economic question of for whom to produce when faced with scarcity and tradeoffs (G/Civ, E, S);
- ~~[(A) determine the choices that involve opportunity cost and tradeoffs (E, S);]~~
- ~~[(B) model the choices that involve opportunity cost and tradeoffs (E, S);]~~
- (E) ~~[(C)]~~ describe the concept ~~[Jevons, Menger, and Walras conception]~~ of marginal analysis (E); and
- ~~[(D) analyze how geographic relationships lead to the choices made by societies when confronted by the condition of scarcity, using maps and graphs (Geo/C, E, S);]~~
- ~~[(E) determine ways societies answer the fundamental economic question of what to produce (G/Civ, E, S);]~~

- ~~[(F) — determine ways societies answer the fundamental economic question of how to produce (G/Civ, E, S); and]~~
- ~~[(G) — determine ways societies answer the fundamental economic question of for whom to produce (G/Civ, E, S).]~~
- ~~[(10) — Scarcity and Opportunity Cost (Micro). The student understands interest rates. The student is expected to:]~~
- ~~[(A) — define interest rates (E); and]~~
- ~~[(B) — explain how charging interest affects borrowing decisions, scarcity of resources, and opportunity costs (E).]~~
- ~~[(11) — Scarcity and Opportunity Cost (Micro). The student understands the production possibilities curve. The student is expected to:]~~
- ~~[(F) [(A)] graph and explain how a [the] production possibilities curve illustrates inefficiency, full use of resources, and unattainable economic conditions (E) ; [i]]~~
- ~~[(B) — identify the factors that shift the production possibilities curve (E, S); and]~~
- ~~[(C) — create a production possibilities curve to analyze the condition of scarcity and opportunity costs (E, S).]~~
- ~~(6) [(12)] Supply, Demand , and Markets (Micro). The student understands the principles of supply and demand. The student is expected to:~~
- ~~(A) — define the laws of supply and demand (E);~~
- ~~(B) — identify the determinants that shift [of] supply and demand (E);~~
- ~~(C) — graph supply and demand to illustrate movement along and shifts in supply and demand curves [the curve] (G/Civ, E, S); [and]~~
- ~~(D) — explain shortages, surpluses, and equilibrium [analyze economic data] using supply and demand graphs (G/Civ, E, S) ; [i]~~
- ~~(E) — define Say's Law (E); and~~
- ~~(F) — define equilibrium price and identify determinants of change to equilibrium price (E, S).~~
- ~~[(13) — Supply, Demand and Markets (Micro). The student understands Say's Law. The student is expected to define Say's Law by Jean-Baptiste Say (E).]~~
- ~~(7) [(14)] Supply, Demand , and Markets (Micro). The student understands how [the role of] buyers and sellers interact in markets to determine prices, respond to scarcity, and generate profit . The student is expected to:~~
- ~~(A) — explain the circular flow model (E);~~
- ~~(B) [(A)] — explain the role of buyers and sellers in markets (E);~~
- ~~[(B) — define equilibrium price and identify determinants of change to equilibrium price (E, S); and]~~
- ~~[(C) — explain the circular flow model (E).]~~
- ~~[(15) — Supply, Demand and Markets (Micro). The student understands prices. The student is expected to:]~~
- ~~(C) [(A)] — explain how scarcity influences supply, demand, and market prices (E);~~
- ~~[(B) — analyze how price controls, including price floors and price ceilings, can create surpluses or shortages (E); and]~~
- ~~(D) [(C)] — explain how price elasticity reflects how consumers and producers respond to changes in price (E) ; [i]~~

- (E) analyze how price controls, including price floors and price ceilings, can create surpluses or shortages (E); and
- (F) define profit in a market economy (G/Civ, E).
- ~~[(16) Supply, Demand and Markets (Micro). The student understands profit. The student is expected to define profit in a market economy (G/Civ, E).]~~
- ~~(8) [(17)] Supply, Demand and Markets (Micro). The student understands business structures. The student is expected to:~~
- ~~(A) describe the role of competition [economic institutions] in market economies (G/Civ, E);~~
- ~~(B) describe the role of competition in a monopoly (E);~~
- ~~(C) describe the role of competition in an oligopoly (E); and~~
- ~~(D) describe the role of competition in pure competition (E) ; [;]~~
- ~~[(E) describe market process (E);]~~
- ~~[(F) describe competition (E); and]~~
- ~~[(G) apply research methods to synthesize information about business structures in market economies using a variety of sources (G/Civ, E, S).]~~
- ~~(9) [(18)] Decision and Game Theory (Micro). The student understands the fundamentals of the theory of the firm. The student is expected to:~~
- ~~(A) define the theory of the firm (E); [and]~~
- ~~(B) define and apply the law of diminishing returns (E) ; and [;]~~
- ~~[(19) Decision and Game Theory (Micro). The student understands the fundamentals of game theory. The student is expected to:]~~
- ~~(C) [(A)] describe how firms make decisions using game theory (E, S) ; [;]~~
- ~~[(B) describe short-run, one-off game (E);]~~
- ~~[(C) describe Prisoner's Dilemma game (E); and]~~
- ~~[(D) describe long-run games (E).]~~
- ~~(10) [(20)] Microeconomics of Public Policy (Micro). The student understands how government actions influence markets, including public goods and services competition, regulation, incentives, and taxation . The student is expected to:~~
- ~~(A) identify public goods and services (E); [and]~~
- ~~(B) explain factors that influence individuals' [evaluate how and why individuals make choices regarding their] use of public goods and services , including cost, access, and benefit to the community (G/Civ, E, S) ; [;]~~
- ~~(C) describe the purpose of laws and regulations adopted in the United States to promote competition among firms (G/Civ, E, S);~~
- ~~(D) explain how government policies influence wage, including minimum wage, and price controls affect behaviors of individuals and firms (G/Civ, E, S);~~
- ~~(E) explain how the moral hazard problem changes behavior and risk taking when firms and individuals are protected by government action (G/Civ, E);~~
- ~~(F) identify factors that contribute to natural monopolies, including infrastructure costs and economies of scale (Geo/C, E, S);~~

- ~~[(21) — Microeconomics of Public Policy (Micro). The student understands competition in microeconomics. The student is expected to describe the purpose of laws and regulations adopted in the United States to promote competition among firms (G/Civ, E, S).]~~
- ~~[(22) — Microeconomics of Public Policy (Micro). The student understands government controls in microeconomics. The student is expected to evaluate the impact of government wage and price controls on individuals and firms (G/Civ, E, S).]~~
- ~~[(23) — Microeconomics of Public Policy (Micro). The student understands the moral hazard problem. The student is expected to explain the moral hazard problem in public policy (G/Civ, E).]~~
- ~~[(24) — Microeconomics of Public Policy (Micro). The student understands natural monopolies. The student is expected to analyze how geographic factors contribute to natural monopolies (Geo/C, E, S).]~~
- ~~[(25) — Microeconomics of Public Policy (Micro). The student understands types of taxation. The student is expected to:]~~
- ~~(G) ~~[(A)]~~ define ~~[examples of]~~ sales , income, property, and excise tax (G/Civ, E); and~~
- ~~[(B) — define income tax (G/Civ, E);]~~
- ~~[(C) — define property tax (G/Civ, E);]~~
- ~~[(D) — define excise tax (G/Civ, E); and]~~
- ~~[(H) ~~[(E)]~~ describe the economic impact of different types of taxation on consumers and firms (G/Civ, E).~~
- ~~[(26) — Microeconomics of Public Policy (Micro). The student understands a subsidiary. The student is expected to describe the characteristics of the subsidiary (E).]~~
- ~~[(11) ~~[(27)]~~ Money and Monetary Policy (Macro). The student understands the functions and attributes of money. The student is expected to:]~~
- ~~(A) — describe the basic functions of money (E);~~
- ~~(B) — describe the attributes of money (E);~~
- ~~(C) — compare commodity money, representative money, and fiat money (E, S); and~~
- ~~(D) — identify opportunity cost in using ~~[determine the relationship between]~~ commodity, representative, and fiat monies ~~[and opportunity cost]~~ (E).~~
- ~~[(12) — National Statistics and Economic Measurement (Macro). The student understands what measures are used to evaluate the economy. The student is expected to:]~~
- ~~(A) — explain the factors in the country's overall level of income, employment, and prices (G/Civ, E);~~
- ~~(B) — identify the components of Gross Domestic Product (GDP) (E, S);~~
- ~~(C) — identify the types of unemployment as structural, frictional, and cyclical (E);~~
- ~~(D) — describe inflation and its causes (E);~~
- ~~(E) — determine the relationship between inflation and Purchasing Power Parity (PPP) (E, S);~~
- ~~(F) — identify the determinants of aggregate supply and aggregate demand (E);~~
- ~~(G) — interpret inflationary period, recessionary period, and equilibrium using the aggregate supply and aggregate demand graph (E, S);~~
- ~~(H) — determine how changes in aggregate supply and aggregate demand impact the economy (E, S);~~
- ~~(I) — describe how aggregate supply and aggregate demand affect unemployment and underemployment (E, S); and~~

(J) explain imprecision in economic measurement (E).

~~(13)~~ ~~(28)~~ Money and Monetary Policy (Macro). The student understands the Federal Reserve System. The student is expected to :

(A) describe the purpose , goals, and tools of the Federal Reserve System in setting monetary policy (G/Civ, E) ; [:]

~~(29) — Money and Monetary Policy (Macro). The student understands price stability. The student is expected to:~~

(B) ~~(A)~~ define monetary policy and explain price stability (E); [and]

~~(B) — explain the role of the Federal Reserve in maintaining price stability (G/Civ, E);~~

~~(30) — Money and Monetary Policy (Macro). The student understands the concept of full employment. The student is expected to:~~

~~(A) — define full employment (E); and~~

(C) ~~(B)~~ explain the role of the Federal Reserve in maintaining full employment (G/Civ, E) ; [:]

(D) define full employment (E);

~~(31) — Money and Monetary Policy (Macro). The student understands monetary tools used by the Federal Reserve. The student is expected to:~~

(E) ~~(A)~~ define money supply (E);

(F) ~~(B)~~ explain how increases and decreases in the money supply on the economy using a variety of resources can influence inflation, interest rates, and economic growth (G/Civ, E, S); and

(G) ~~(C)~~ describe how the Federal Reserve uses monetary policy tools, including open market operations, reserve requirements, and the discount rate, to influence the money supply (G/Civ, E).

~~(14)~~ ~~(32)~~ Fiscal Policy (Macro). The student understands government fiscal policy in macroeconomics. The student is expected to:

(A) explain major revenue and expenditure categories (E); [and]

(B) explain the government's role in taxation (G/Civ, E) ; [:]

~~(33) — Fiscal Policy (Macro). The student understands changes in federal spending and taxation. The student is expected to:~~

(C) ~~(A)~~ explain budget deficits and surpluses (G/Civ, E);

~~(B) — distinguish between budget deficit and debt (G/Civ, E, S);~~

(D) ~~(C)~~ analyze how budget deficits and surpluses influence the creation of fiscal policy (G/Civ, E, S); [and]

~~(D) — analyze the impact of the national debt on fiscal policy by engaging in civil discourse using multiple perspectives (G/Civ, E, S);~~

~~(34) — Fiscal Policy (Macro). The student understands modern approaches to fiscal policy. The student is expected to:~~

(E) describe supply-side economics (E); and

(F) ~~(A)~~ explain how [analyze] Keynesian economics uses fiscal policy to stabilize the economy through aggregate demand [using primary and secondary sources] (H, E [, S]); [and]

~~(B) — describe supply-side economics (E);~~

~~[(35) National Statistics and Economic Measurement (Macro). The student understands what measures are used to evaluate the economy. The student is expected to:]~~

~~[(A) identify the components of Gross Domestic Product (GDP) (E, S);]~~

~~[(B) identify the determinants of aggregate supply and aggregate demand (E);]~~

~~[(C) interpret inflationary period, recessionary period, and equilibrium using the aggregate supply and aggregate demand graph (E, S);]~~

~~[(D) determine how changes in aggregate supply and aggregate demand impact the economy (E, S);]~~

~~[(E) identify the types of unemployment as structural, frictional, cyclical (E);]~~

~~[(F) describe how aggregate supply and aggregate demand affect unemployment and underemployment (E, S);]~~

~~[(G) describe inflation and its causes (E);]~~

~~[(H) determine the relationship between inflation and Purchasing Power Parity (PPP) (E, S); and]~~

~~[(I) explain imprecision in economic measurement (E).]~~

~~[(36) National Statistics and Economic Measurement (Macro). The student understands the factors included in national statistics and economic measurement. The student is expected to explain the factors in the country's overall level of income, employment, and prices (G/Civ, E).]~~

~~(15) [(37) Business Cycle (Macro). The student understands the business cycle in macroeconomics. The student is expected to:]~~

~~(A) label the business cycle model (E, S);~~

~~(B) determine the relationship between productivity and the economy (E, S);~~

~~(C) [(B)] explain the factors in productivity increase (E);~~

~~(D) [(C)] explain the factors in worker earnings (E);~~

~~(E) [(D)] explain technological advances (E);~~

~~(F) [(E)] explain entrepreneurship, entrepreneurial ventures and their effects (E);~~

~~(G) [(F)] determine the relationship between calculated risk and the economy (E, S);~~

~~(H) [(G)] determine the relationship between creative destruction and the economy (E, S); and~~

~~(I) [(H)] determine the relationship between centralized capital spending and the economy (G/Civ, E, S); ; and]~~

~~[(I) determine the relationship between productivity and the economy (E, S).]~~

~~(16) [(38) Public Choice Theory (Macro). The student understands Public Choice Theory. The student is expected to:]~~

~~(A) define public choice theory (G/Civ, E); and~~

~~[(B) apply economic principles to analyze government decision making (G/Civ, E, S); and]~~

~~(B) [(C)] describe how government officials act as rational actors (G/Civ, E).~~

~~(17) [(39) International Economics and the United States (Macro). The student understands the connection between international economics and the United States. The student is expected to:]~~

~~(A) explain the concept of comparative advantage in trade (G/Civ, E, S);~~

~~(B) explain the advantages and consequences of trade (E, S);~~

- (C) determine the effect of trade barriers on trade (G/Civ, E);
- (D) define the balance of trade (E);
- (E) evaluate labor productivity trends on trade (E, S); and
- (F) evaluate the role of exchange rates on trade using economic data (E, S).

~~(18) Benefits of the Free Enterprise System. The student understands the benefits of the free enterprise system. The student is expected to:~~

~~[(40) Benefits of the Free Enterprise System. The student understands voluntary exchange. The student is expected to:]~~

- (A) evaluate the role of voluntary exchange in free enterprise (E); [and]
- (B) compare the way in which economic questions are answered by different economic systems, including traditional, market, command, and mixed (G/Civ, Geo/C, E, S) ; [;]

~~[(41) Benefits of the Free Enterprise System. The student understands the benefits of the free enterprise system. The student is expected to:]~~

- ~~(C) [(A)]~~ define the competitive nature of free enterprise (E);
- ~~[(B)]~~ describe the effects of intellectual property protections (G/Civ, E, S);
- ~~(D) [(C)]~~ define consumer sovereignty (E);
- ~~(E) [(D)]~~ describe the effect of consumer sovereignty on free enterprise (G/Civ, E, S);
- ~~(F)~~ describe the effects of intellectual property protections (G/Civ, E, S);
- ~~[(E)]~~ evaluate the costs of government policies (G/Civ, E);
- ~~(G) [(F)]~~ compare central planning to the free enterprise system (G/Civ, E);
- ~~(H) [(G)]~~ compare the economic development of the United States, Japan, and India to the USSR and China , focusing on free enterprise versus command economies (H, Geo/C, E, S);
- ~~(I)~~ evaluate the costs of government policies (G/Civ, E); and
- ~~[(H)]~~ analyze patterns of continuity and change in free enterprise versus command economies to assess the impact of historical economic transformations (H, Geo/C, E, S); and
- ~~(J) [(I)]~~ evaluate why governments use anti-trust policies, anti-fraud regulation, utility regulation, historical preservation, and public and non-excludable goods to override free markets (G/Civ, E, S).