

**BUSINESS & COMPUTER SCIENCE/BUSINESS MANAGEMENT**  
**Computer Dynamics of the Stock Market**  
**Unit 1: Profits**

<b>Essential Understandings</b>	<ul style="list-style-type: none"> <li>▪ Profit is the incentive that drives our market economy.</li> <li>▪ Firms make production, pricing, and hiring decisions based on their quest for profit.</li> </ul>
<b>Essential Questions</b>	<ul style="list-style-type: none"> <li>▪ What happens when a firm discovers that it can make higher profits by stopping production?</li> <li>▪ When making production decisions what cost must a business consider?</li> <li>▪ In what areas do businesses make adjustments in order to raise revenue?</li> <li>▪ What draws entrepreneurs into industry?</li> </ul>
<b>Essential Knowledge</b>	<ul style="list-style-type: none"> <li>▪ Tradeoff and opportunity costs play a role in the profit motive in business decision-making.</li> <li>▪ Profits serve as an incentive.</li> <li>▪ Firms may make adjustments in production to raise revenue.</li> <li>▪ When making production decisions, firms must consider both costs and revenue.</li> </ul>
<b>Vocabulary</b>	<ul style="list-style-type: none"> <li>▪ <u>Terms:</u> <ul style="list-style-type: none"> <li>○ tradeoff, opportunity cost, cost-benefit analysis, profit</li> </ul> </li> </ul>
<b>Essential Skills</b>	<ul style="list-style-type: none"> <li>▪ Identify the concepts of tradeoff and opportunity cost.</li> <li>▪ Describe the profit motive in business decision-making.</li> <li>▪ Identify how a firm uses cost-benefit analysis to pursue the goal of profit.</li> </ul>
<b>Related Maine Learning Results</b>	<p><u>Social Studies</u>  C. Economics  C1.Economic Knowledge, Concepts, Themes, and Patterns  Students understand the principles and processes of personal economics, the role of markets, the economic system of the United States, and other economic systems in the world, and how economics serves to inform decisions in the present and future.</p> <ol style="list-style-type: none"> <li>a. Explain that the study of economics includes the analysis and description of production, distribution, and consumption of goods and services by business, and is the basis of individual personal finance management including saving and investing.</li> <li>b. Explain and analyze the role of financial institutions, the stock market, and government, including fiscal, monetary, and trade policies, in personal, business, and national economics.</li> <li>c. Evaluate different forms of money management, and the positive and negative impacts that credit can have on individual finances, using economic reasoning.</li> </ol>

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	<p>d. Identify and explain various economic indicators and how they represent and influence economic activity.</p>
<p align="center"><b>Related Maine Learning Results</b></p>	<p>e. Analyze economic activities and policies in relationship to freedom, efficiency, equity, security, growth, and sustainability.</p> <p>f. Explain and apply the concepts of specialization, economic interdependence, and comparative advantage.</p> <p>g. Solve problems using the theory of supply and demand.</p> <p>C2. Individual, Cultural, International, and Global Connections in Economics          Students understand economic aspects of unity and diversity in Maine, the United States, and the world, including Maine Native American communities.</p> <p>a. Analyze the role of regional, international, and global organizations that are engaged in economic development.</p> <p>b. Compare a variety of economic systems and the economic development of Maine, the United States, and various regions of the world that are economically diverse.</p> <p>c. Analyze wealth, poverty, resource distribution, and other economic factors of diverse cultures, including Maine and other Native Americans, various historical and recent immigrant groups in Maine and the United States, and various world cultures.</p>
<p align="center"><b>Sample Lessons And Activities</b></p>	<ul style="list-style-type: none"> <li>▪ Read the story, “Kaiser makes a Bundle by Reselling Power”. Groups answer the questions at the end of the chapter.</li> </ul>
<p align="center"><b>Sample Classroom Assessment Methods</b></p>	<ul style="list-style-type: none"> <li>▪ Write a paper describing current conditions in the aluminum industry.</li> </ul>
<p align="center"><b>Sample Resources</b></p>	<ul style="list-style-type: none"> <li>▪ <u>Publications:</u> <ul style="list-style-type: none"> <li>○ “Kaiser Makes a Bundle by Reselling Power”</li> <li>○ Kaiser Aluminum Corporation’s website</li> </ul> </li> </ul>