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Here is a **3- to 4-day unit plan** for 12th-grade Economics/Social Studies, built around the essential question: **“How does America’s Free Enterprise System operate and impact consumers?”** It is aligned with the 12.E3c standard in the New York State K-12 Social Studies Framework:

“The freedom of the United States economy encourages entrepreneurialism ... can lead to intended consequences (growth, competition, innovation, improved standard of living, productivity, specialization, trade, outsourcing, class mobility, positive externalities) and unintended consequences (recession, unemployment, outsourcing, generational poverty, income inequality, negative externalities).” ([New York State Education Department](#))

The plan includes: visuals for projection or printing, differentiated activities for ENL students, students with IEPs/504s, and struggling readers, and built-in reflections.

Unit Overview

Grade Level: 12

Subject: Economics / Social Studies – Free Enterprise & Consumer Impact

Duration: 3–4 class periods (~50 minutes each)

Essential Question: How does America’s Free Enterprise System operate and impact consumers?

Standards: 12.E3c (as above)

Key Concepts / Vocabulary:

- Free enterprise / free market system
- Entrepreneurialism
- Competition
- Consumer choice & consumer sovereignty
- Specialization and trade
- Externalities (positive & negative)
- Intended vs unintended consequences
- Income inequality, outsourcing, productivity

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- Regulation (connecting to the next standard 12.E3d)
Social Studies Practices (from the NYS Framework):
 - Gathering, interpreting and using evidence
 - Comparison and contextualization
 - Understanding economic systems
 - Civic participation (thinking about consumer rights, business ethics)
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Day 1: Introduction & Operation of Free Enterprise

Learning goals:

- Students will identify how a free enterprise system functions (competition, entrepreneurship, consumer choice).
- Students will begin to evaluate how such a system operates in the U.S. economy and how it impacts consumers.

Materials/Visuals:

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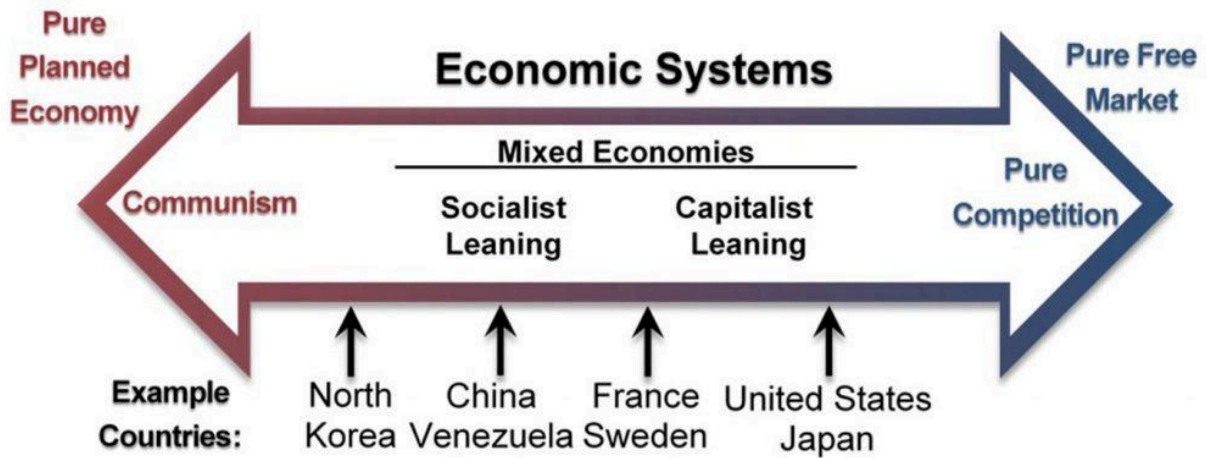
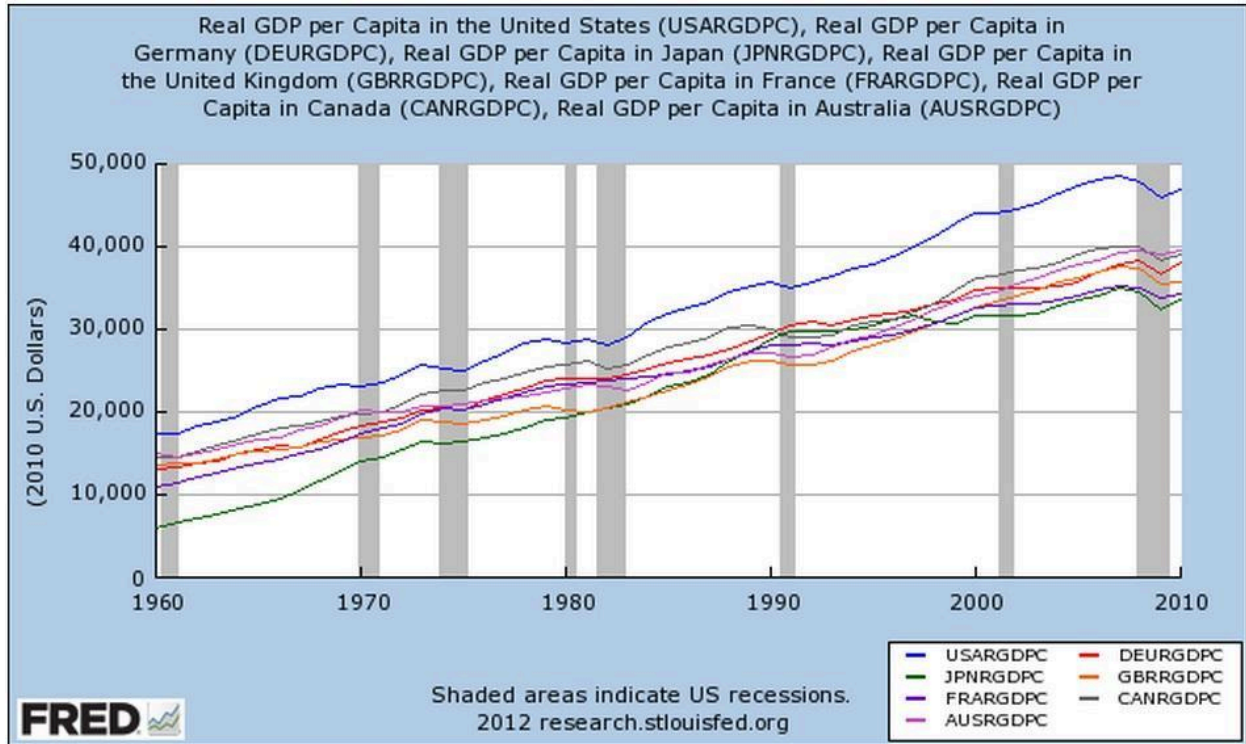
21 FOUNDERS CHANGING THE WAY WE DO BUSINESS IN 2021



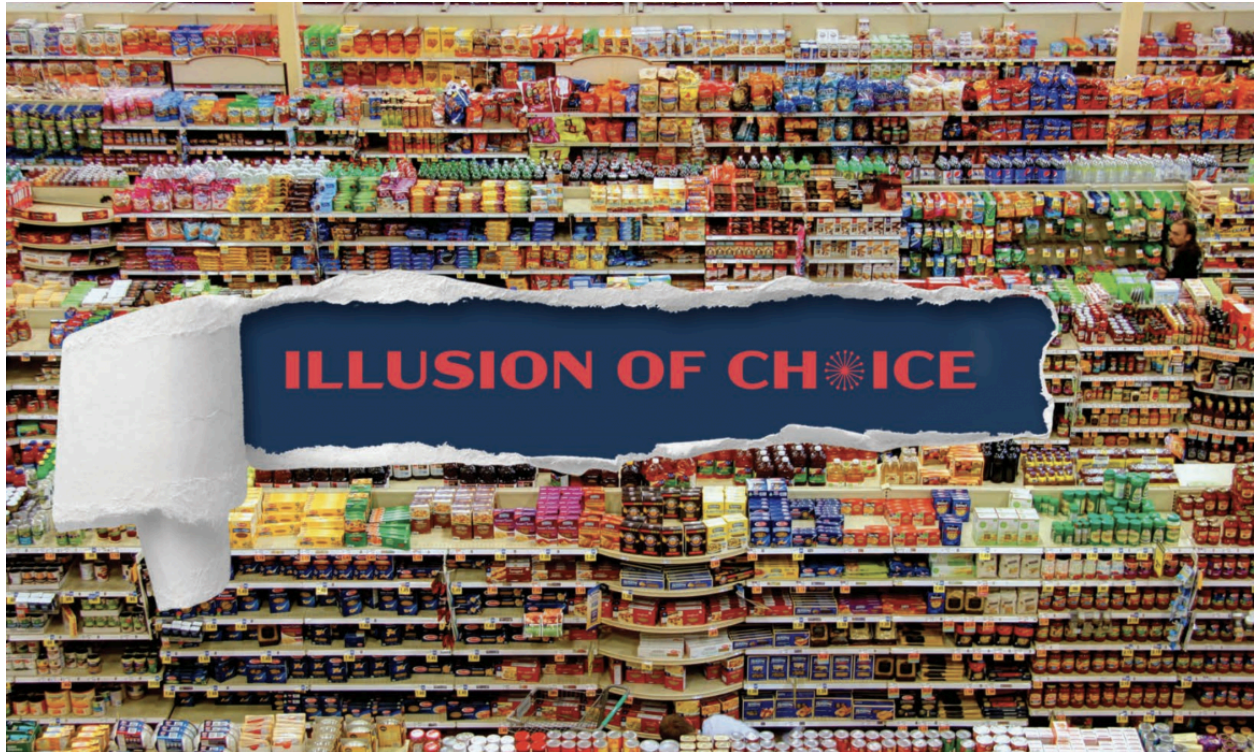
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- Slide 1: Definition of Free Enterprise / Free Market
- Slide 2: Key features: competition, entrepreneurship, consumer choice, profit motive
- Slide 3: Visual of consumers in choice environment (supermarket/online)
- Slide 4: Visual of an entrepreneurial start-up / small business

Lesson Steps:

1. Hook / Warm-up (5 minutes):

Project Slide 3 (consumer choice image). Ask students: “What do you notice about this picture? What choices seem available? What informs a consumer’s choice in this environment?”

Pair-share for 1–2 minutes, then gather a few responses.

2. Direct Instruction / Guided Discussion (10 minutes):

- Introduce the definition of free enterprise/free market.
- Highlight how in the U.S. economy individuals/businesses are free to *choose* what to produce, how to produce, what to buy, etc.
- Use Slide 4 to show a start-up/entrepreneurial business. Ask: “How does entrepreneurialism fit into this system?”
- Emphasize that consumers play a key role: their choices send signals to producers (consumer sovereignty).
- Show Slide 2 with features diagram and walk through competition, profit motive, specialization/trade, consumer choice.

3. Differentiated Activity (20 minutes):

Students will engage in an activity based on readiness.

- **Tier 1 (Support Level: Students with IEPs/504s, struggling readers/ENL):**
Provide a worksheet with a *graphic organizer* (two-column). Column 1: “Feature of Free Enterprise (word + simple definition)”. Column 2: “How this feature affects a consumer (with an example)”. Pre-fill some definitions and examples; students fill the rest in pairs.
- **Tier 2 (On-Level):**
Provide a hand-out with a short reading (2 paragraphs) explaining free enterprise and consumer choice with examples. Students individually read (or

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read in pairs if ENL) and then fill a three-box organizer: Feature → Effect on consumer → Real-world example (U.S.). Then share with a partner one of their examples.

○ **Tier 3 (Advanced):**

Provide a more challenging reading (3-4 paragraphs) that includes concept of specialization/trade and profit motive. Then students answer a short prompt: “Select one feature of free enterprise and evaluate how it empowers consumers — as well as one way it might disadvantage consumers.” They then prepare to share their thinking in class.

4. **Whole-Class Debrief (8 minutes):**

Ask each tier group to share one feature they discussed and how it impacts consumers. On the board create a simple chart: Feature | Positive Consumer Impact | Possible Consumer Concern. Fill in some together. Emphasize that even in the “operation” of the system there may be both benefits and risks for consumers.

5. **Exit Ticket / Reflection (5 minutes):**

On an index card or sticky note, students write: “One way the free enterprise system benefits consumers, and one question I still have about how consumers may be impacted.” Collect these.

Homework (optional):

Ask students to find a short news article (print or online) about a U.S. business or consumer product within the last 6 months and bring in a copy. They should be ready to discuss how the company’s operations reflect free enterprise features (for Day 2).

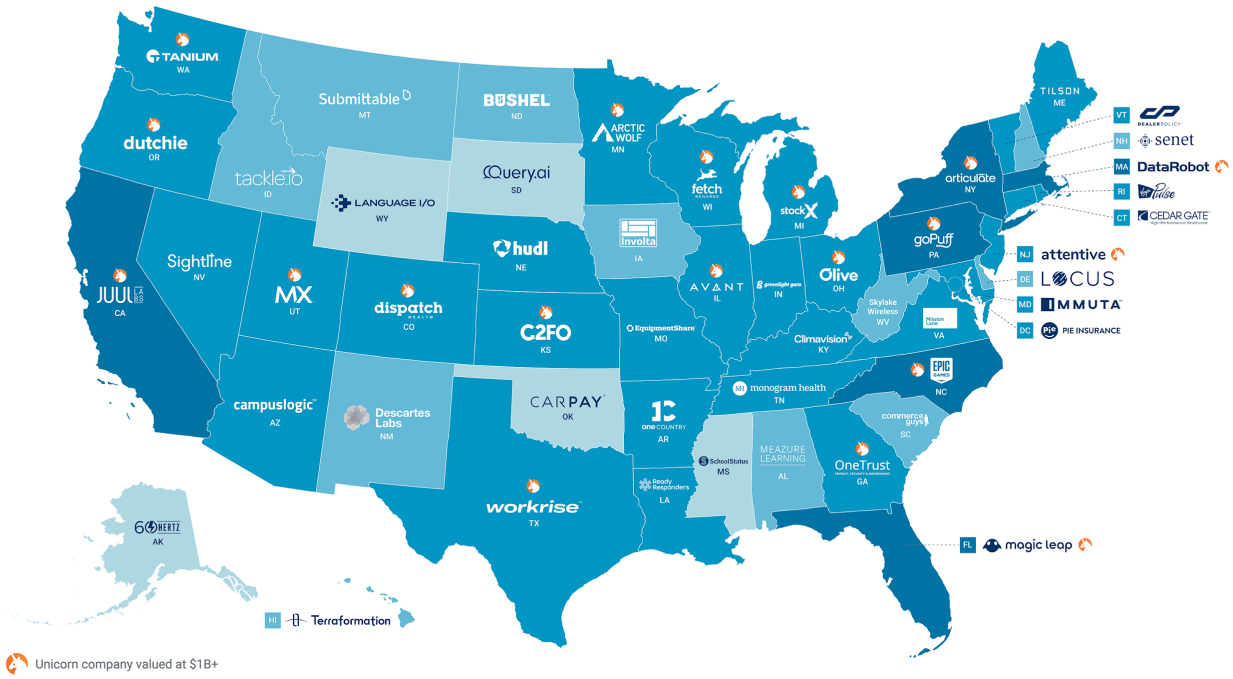
Day 2: Impacts on Consumers – Benefits & Intended Consequences

Learning goals:

- Students will analyze how the free enterprise system produces benefits for consumers (innovation, variety, better standard of living, specialization/trade).
- Students will link these benefits to real-world examples.

Materials/Visuals:

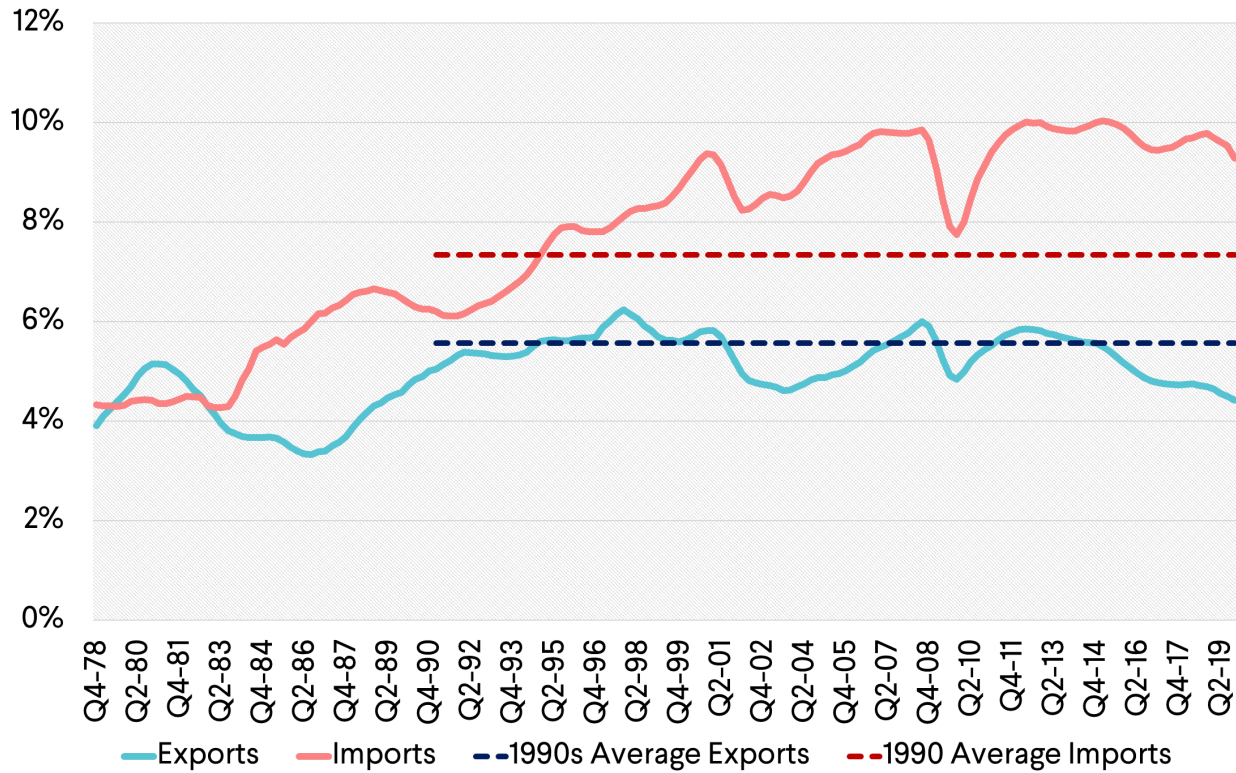
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Manufacturing Trade (SITC data) as a Share of U.S. GDP

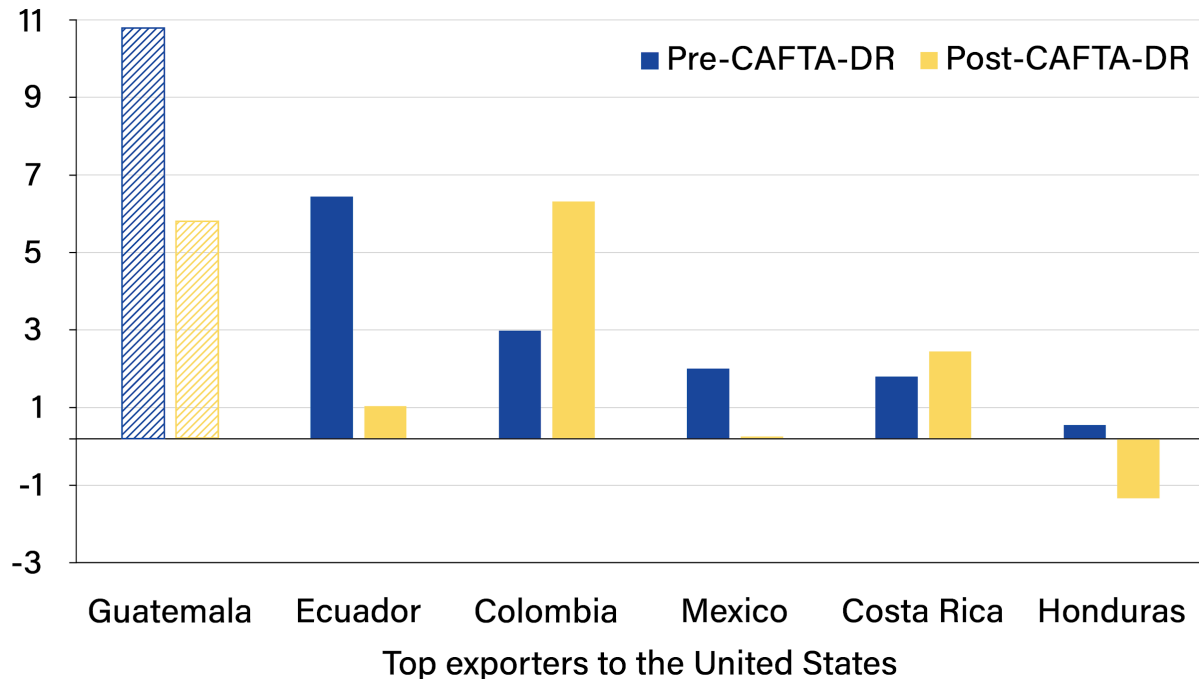


Source: U.S. Census Bureau/BEA/Haver Analytics

Brad Setser
blogs.cfr.org/setser

Banana production increased in several Central and South American countries following the introduction of free trade agreements with the United States

Banana production growth (percent, annual average)



Note: **CAFTA-DR** = Dominican Republic-Central America-United States Free Trade Agreement. Diagonal lines indicate **Guatemala** is the largest exporter of bananas to the United States.

Source: USDA, Economic Research Service calculations using data from the United Nations Food and Agriculture Organization, 2021.

- Slide 1: Innovation example (e.g., smartphone start-up)
- Slide 2: Variety of consumer goods and choices
- Slide 3: Graph or map showing U.S. trade/specialization or consumer benefits

Lesson Steps:

1. **Review & Hook (5 minutes):**

Project Slide 1. Ask: "How might this image show the benefit of entrepreneurialism in a free enterprise system for consumers?" Quick Think-Pair and share.

2. **Mini-Lecture / Guided Discussion (8 minutes):**

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- Walk through key intended consequences from standard 12.E3c: growth, competition, innovation, improved standard of living, productivity, specialization, trade, class mobility, positive externalities. ([New York State Education Department](#))
- For each, provide a brief U.S.-based example: e.g., innovation: smartphone companies; competition: multiple streaming services; specialization/trade: outsourcing manufacturing and U.S. firms focusing on design/marketing.
- Emphasize impact on consumers: more choice, lower prices through competition, improved goods and services.

3. Differentiated Activity (20 minutes):

Students again grouped by tier and given a task.

- **Tier 1 (Support):**
Provide a guided reading with bullet points of 3-4 benefits. Students work in pairs to fill in a simple chart: Benefit | What it means for me as a consumer | Example (teacher provides one). Also encourage use of visuals and header vocabulary.
- **Tier 2 (On-Level):**
Provide a reading of moderate complexity (3 paragraphs) that discusses 4-5 intended consequences and consumer impacts. Students individually complete a graphic organizer: Consequence → Consumer Impact → Example from homework article (if applicable) or teacher-provided prompt. Then in partners they exchange one example and discuss whether it's strong or needs improvement.
- **Tier 3 (Advanced):**
Provide a more challenging article/excerpt (4-5 paragraphs) that explores intended consequences plus early mention of unintended (to prepare for Day 3). Students will write a short response: "Select two intended consequences and analyze how each specifically influences consumers. Then propose one question about whether these benefits are always evenly distributed among consumers." They then join a small group to compare responses.

4. Whole-Class Share (8 minutes):

Invite a few students from each tier to share one consumer benefit and example. Then ask: "Which benefit feels most tangible to you as a consumer? Why? Are there consumers who might not experience this benefit equally?" Facilitate discussion to set up Day 3 (which will focus on unintended consequences/impacts).

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5. Reflection / Exit Ticket (5 minutes):

Students write: "Which benefit of the free enterprise system would you say is most important for consumers—and why? One thing I still wonder about is ..." Collect.

Homework:

Ask students to bring the same article (or find a new one) and highlight or note aspects in it that reflect *intended benefits* for consumers under free enterprise. Be ready to share.

Day 3: Impacts on Consumers – Unintended Consequences & Consumer Risks

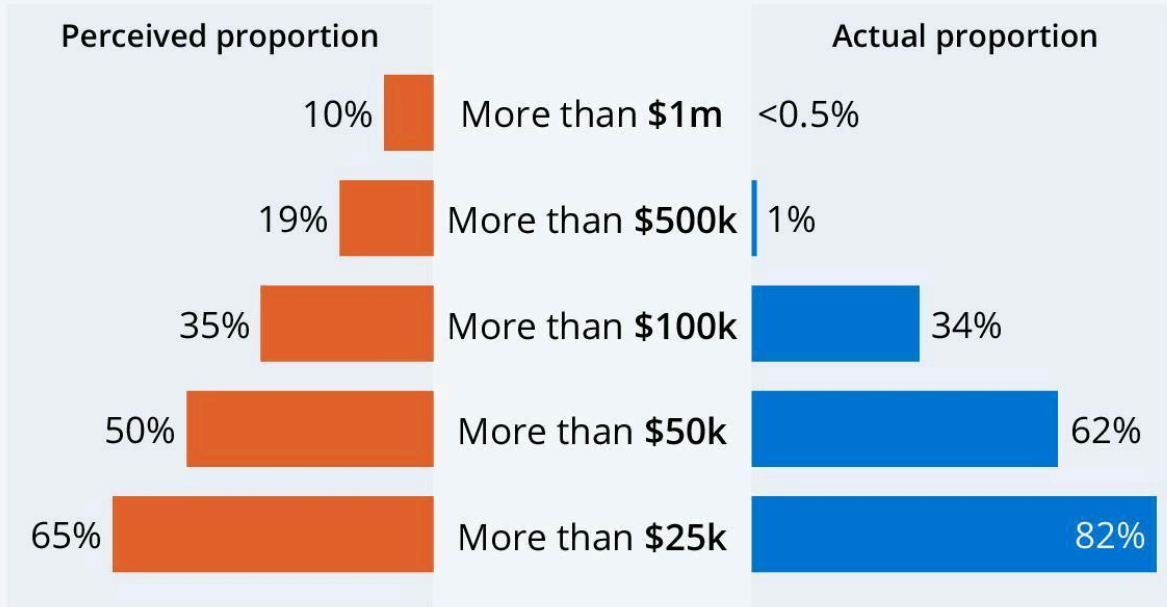
Learning goals:

- Students will analyze how the free enterprise system can lead to unintended consequences that impact consumers (and society) negatively.
- Students will evaluate specific examples of consumer risk and consider consumer protections/regulation (linking toward 12.E3d).

Materials/Visuals:

The United States' Real and Perceived Income Gap

Actual and perceived share of U.S. households in the following income brackets*

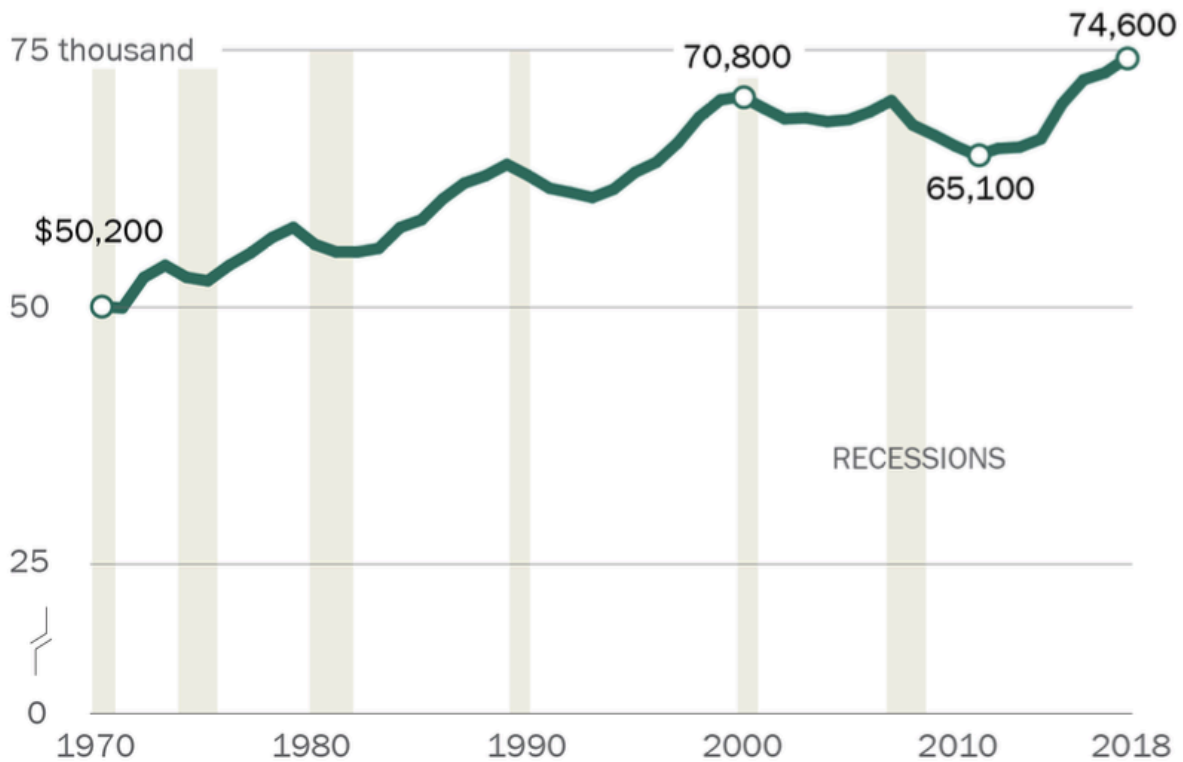


* Estimates based on a survey of 1,000 adults (aged 18+) in the U.S., median weighted responses, Jan 2022. Income data from 2020 U.S. Census.
Sources: YouGov, U.S. Census Bureau



Household incomes have resumed growing following the Great Recession

Median U.S. household income adjusted for household size and scaled to reflect a three-person household, in 2018 dollars



Note: Data labels shown are for 1970, 2000, 2011 and 2018. Revisions to the Current Population Survey affect the comparison of data from 2014 onwards. See Methodology for details.

Source: Pew Research Center analysis of the Current Population Survey, Annual Social and Economic Supplements (IPUMS).

“Most Americans Say There Is Too Much Economic Inequality in the U.S., but Fewer Than Half Call It a Top Priority”

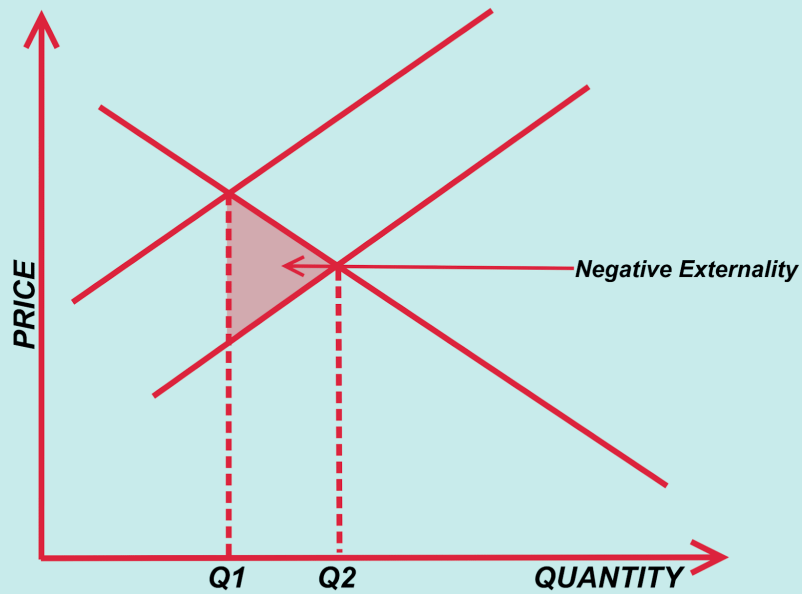
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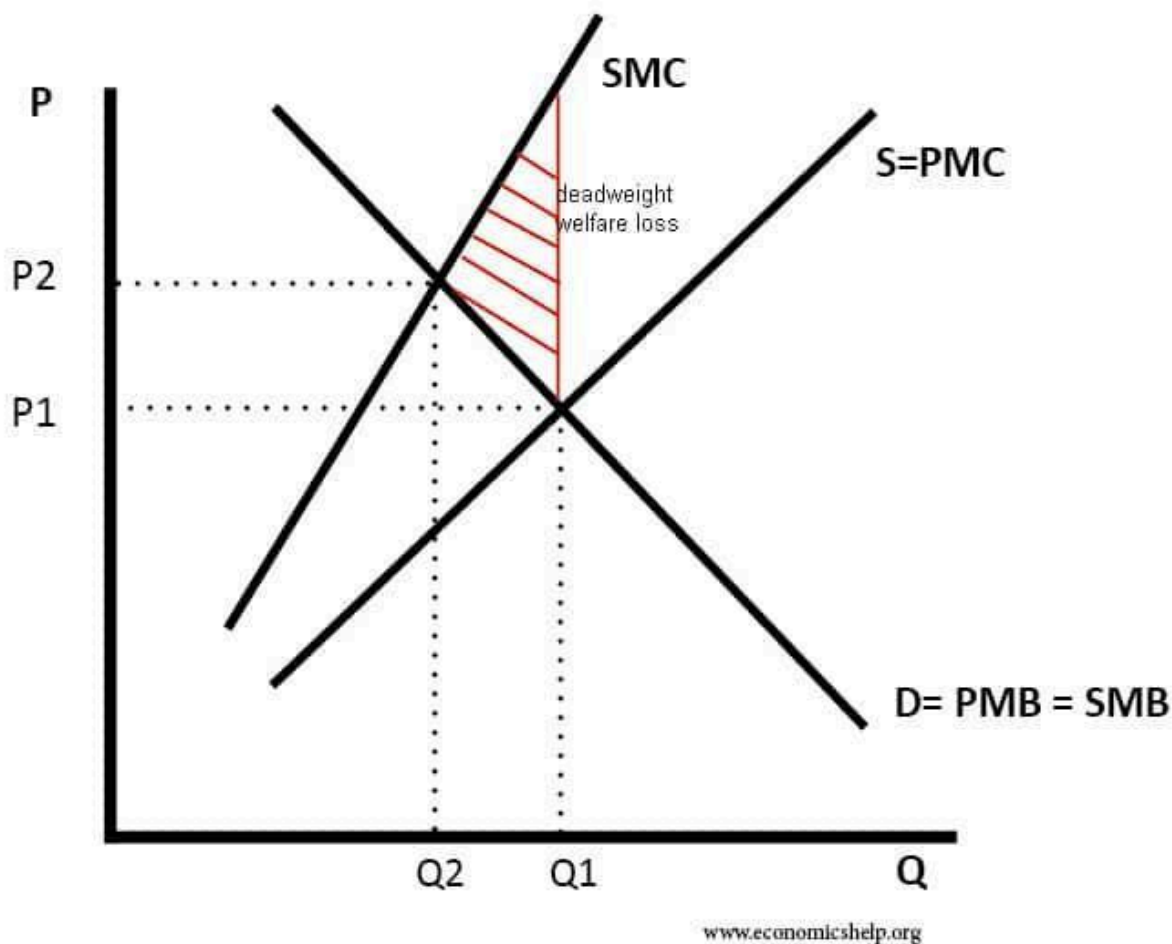
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What Is A Negative Externality?

A negative externality is a phenomenon that happens when the negative impact and consequences of a transaction are dumped on a third party. In an economic transaction where the manufacturer produced goods for consumers, third parties might bear those costs, including other individuals or society as a whole.





- Slide 1: Graph of income inequality in U.S.
- Slide 2: Visual of factory closed / job loss / outsourcing
- Slide 3: Visual of a negative externality affecting consumers (e.g., environmental spill, recall, etc.)

Lesson Steps:

1. **Hook / Quick Prompt (5 minutes):**

Project Slide 2. Ask: "What might this image suggest about how a free enterprise system can affect consumers? Who might be impacted and how?" Quick Think-Pair, then share.

2. **Direct Instruction / Guided Discussion (10 minutes):**

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- Introduce the “unintended consequences” side of 12.E3c: recession, depression, trade factors, unemployment, outsourcing, generational poverty, income inequality, negative externalities. ([NYS SS Framework K-12](#))
- For each unintended consequence, provide a consumer-oriented example: e.g., outsourcing → fewer local jobs → less income for local consumers → potential drop in purchasing power; negative externality → a company pollutes → consumers bear higher healthcare costs; income inequality → some consumers unable to participate fully in market choices.
- Emphasize that “consumers” are not just users of goods, but also citizens whose economic well-being can be affected by the system.

3. Differentiated Activity (20 minutes):

(Again tiered)

- **Tier 1 (Support):**
Provide a document of two short case-studies (very clear and simplified) — e.g., a U.S. manufacturing firm outsources, and a product recall affecting consumers. Students work in pairs to fill a chart: Unintended Consequence | How consumers are impacted | What could have prevented or mitigated it (teacher scaffolding with options).
- **Tier 2 (On-Level):**
Provide 3 case-studies (one each of outsourcing, income inequality/consumer impact, negative externality). Students individually read (or read in pairs if ENL) and then use a graphic organizer: Consequence → Consumer Impact → Who is most/least affected → Potential solution. Then partners compare one of their case-studies and critique each other’s “potential solution”.
- **Tier 3 (Advanced):**
Provide one in-depth article/excerpt (4-5 paragraphs) that discusses consumer risks in free enterprise plus mention of regulation/consumer protection. Students write a short analytic paragraph: “Choose one unintended consequence and evaluate its effect on consumers. Then propose a policy or consumer strategy that could reduce the negative impact without stifling the entrepreneurial freedom of the system.” Then they form a small group and debate: “Which consumer protection is worth the trade-off in entrepreneurial freedom?”

4. Whole-Class Debrief (8 minutes):

On the board build a “two-sided” chart: *Intended benefits for consumers vs Unintended risks for consumers*. Ask students to place one example (from their readings) into each side. Discuss: “As a consumer, which side do you feel dominates? Why?” Transition to

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thinking: what can consumers do? What should business or government do?

5. Reflection / Exit Ticket (5 minutes):

Students write: "Select one unintended consequence and describe how it could affect you (or someone you know) as a consumer. Then write one question: What could consumers themselves do about it?" Collect.

Homework:

Students locate a recent article (within the last year) that illustrates a consumer risk or problem resulting from free enterprise (e.g., product recall, outsourcing effects, data privacy issue, inequality of access). They should bring the article and prepare one slide (or poster) summarizing: what the free enterprise feature was, what the unintended consequence was, how consumers were impacted, and what could be done.

Day 4 (Optional – if you extend to 4 days): Consumer Agency & Putting It All Together

Learning goals:

- Students will synthesize how the free enterprise system operates, how it impacts consumers (both benefit and risk), and how consumers / policy / business ethics can interact in response.
- Students will reflect on their role as consumers and citizens in a free enterprise economy.

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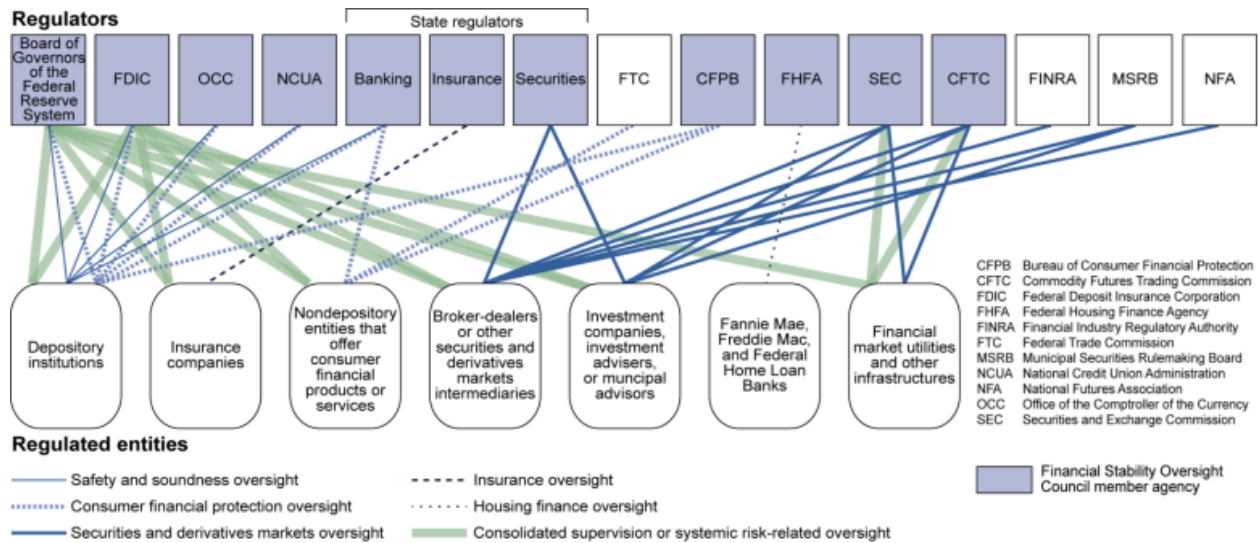




Business Ethics

['biz-nəs 'e-thiks]

The moral principles, policies, and values that govern the way businesses and individuals engage in business activity.



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- Slide 1: Consumer advocacy/consumer rights image
- Slide 2: Business ethics/entrepreneur meeting image
- Slide 3: Regulation/market oversight image

Lesson Steps:

1. Hook (5 minutes):

Project Slide 1. Ask: "What role do you think consumers have in a free enterprise system beyond just buying things?" Quick discussion.

2. Mini-Lecture / Discussion (8 minutes):

- Discuss how consumers have agency (making choices, supporting ethical companies, advocacy).
- Talk about business ethics/entrepreneurial responsibility and government/regulation (transitioning toward 12.E3d).
- Show Slide 3: regulation/oversight – ask: "How might regulation affect consumers and business freedom?"

3. Differentiated Final Activity (20 minutes):

- **Tier 1:** Provide a simple scenario: "A company introduces a new product that many consumers love, but later it is shown to have negative health effects." Provide guiding questions and a three-box template: What is the free enterprise feature? How are consumers impacted (both positive & risk)? What could consumers do? Work in pairs.
- **Tier 2:** Students individually design a mini-poster (digital or paper) that shows: the operation of free enterprise in one business case (choose from provided list or their homework article), the impact on consumers (benefit & risk), and one consumer action or policy response. Then trade with a partner to give feedback.
- **Tier 3:** Students write a short essay (1-2 pages) answering the essential question: "How does America's Free Enterprise System operate and impact consumers?" They must include at least two intended consequences, two unintended consequences, one specific consumer impact, and their view of consumer agency/policy. They then share in small groups and discuss differences in their positions.

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4. **Whole-Class Wrap-Up (8 minutes):**

Bring together group/individual outcomes. Ask: "Based on what you have done, if you were advising a new entrepreneur, what should they consider about consumer impact? And if you were a consumer, what are key questions you should ask yourself when making choices in a free enterprise system?" Facilitate a short discussion.

5. **Final Reflection / Exit Ticket (5 minutes):**

On index card: "In one sentence: the most important way I, as a consumer, am affected by the free enterprise system is ... In one sentence: one change I could make (as a consumer or citizen) to respond to this is ..." Collect.

Assessment / Evidence of Learning:

- Worksheets/graphic organizers from each day.
- Participation in group/pair discussions and jigsaw activities.
- Homework articles + student selected examples.
- Final poster/essay.
- Exit tickets showing student reflection and questions.
- Teacher mini-assessment: review exit tickets, student responses to see if they can identify both the operational features of free enterprise *and* how consumers are impacted (positively & negatively).

Differentiation Details & Accommodations

- **ENL students:** Provide vocabulary preview (free enterprise, entrepreneurship, consumer choice, externality). Use visuals and icons. Pair with stronger reader peers. Provide sentence starters (e.g., "When consumers have many choices ..., one benefit is ..., but one risk is ...").
- **Students with IEPs/504s:** Extended time, allow use of graphic organizers, scaffolded texts with highlighted key ideas, option for verbal response instead of writing where appropriate. Provide guided notes.
- **Struggling readers:** Shorter, simplified readings with clear visuals. Provide reading in pairs, use reading aloud, chunk tasks, use graphic organizers with fill-in blanks.

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- **Advanced learners:** Extended readings/articles, essay option, deeper policy/ethical questions, lead peer discussions or mini-debate.

Reflection & Next Steps

- After the unit, ask students: “What surprised you about how consumers are impacted? What will you do differently as a consumer or citizen?”
- For you as teacher: monitor which students identify unintended consequences vs those who only see benefits; check differentiation minutes — were ENL/struggling readers engaged?
- Next, connect to 12.E3d (role of regulation/oversight) and 12.E3e (inequality and policy) in subsequent unit.