

Unit 3 Economic Functions of Government Summative Assessment

Standard 2: Economic Policies affect markets

- a. Analyze how government activities influence the economy. Topics to include but not limited to: taxation, monetary policy, and the Federal Reserve (DOK 1-2)
- c. Identify government activities that affect the local, state, or national economy (DOK 1)
- d. Give examples of the role of government in a market economic system (DOK 1)

Standard 3: Government and competition affect markets

- b. Analyze the role of competition within different market structures. Topics to include but not limited to pure competition, monopolistic competition, oligopoly, and monopoly (DOK 1-3)
- d. Compare and contrast different types of taxing. Topics to include but not limited to progressive, regressive, and proportional (DOK 1-2)

Objective: Students will demonstrate an understanding of how the government's economic policies affect the market and the importance of government policy to ensure a competitive free market.

Please review [rubric](#) for expectations.

Overview: Acting as economic consultants students will create a website for a fictitious mixed-market economy. The purpose of the website is to explain to its citizens HOW and WHY the government must be involved in the economy. Be sure to provide examples. Include visuals, images, graphs when possible, to create an interesting and dynamic website.

1. Create a [website](#)

2. Website must include:

- Introduction, including an overview of a mixed market system (Define what a mixed economy is and how your country utilizes it)
- HOW and WHY the government provides a legal and social framework. Provide examples (include how your country will pass reform laws, establish a system of money, etc)
- HOW and WHY the government develops economic policies that help to ensure a competitive free market. Provide examples (what type of competition will your country have and why, is competition a good or bad thing in your country?)
- HOW and WHY the government provides public goods and services. Provide examples (what public goods and services will you provide, how will you acquire the revenue to do this, use a graph or chart to demonstrate this)
- HOW and WHY the government corrects for negative externalities and how the government will motivate for positive externalities? Provide examples (cap and trade, carbon tax, etc. why did you choose the method you did?)
- HOW and WHY the government creates economic policies to redistribute income. Provide examples (what type of tax will your country use and why, think federal, state, local distributions etc.)

3. Be sure to cite your sources

