

Social Studies Standard - Economics 1

Benchmark: Students will analyze changes in technology, costs, and demand in a competitive market to determine or change the price of goods and services.

Headline from 1975:

The Alaskan Oil Pipeline and North Sea Oil Fields Ready to Deliver Crude Oil

Prompt: Why might some members of OPEC cheat on their agreed production amounts? Explain your answer.

RUBRIC

- 2 – This response gives a valid **response** with an accurate and relevant **explanation**.
- 1 – This response gives a valid **response** with **little or no** accurate and relevant **explanation**.
- 0 – Inaccurate Response

Sample Response: More competition means prices will go down. Consumers now have other countries from which to get oil so a member of OPEC which has a small slice of the market may decide to lower prices and pump more oil to keep up their sales.