



Tyler James, M.Ed.
tyler.james@biloxischools.net

AP Macroeconomics Course Syllabus

Course Description

AP Econ is a fast paced college-level course that focuses on the decision making of individuals, businesses, and the government. Students will study a variety of economic theories and analyze their practical application in the real world.

This semester course will cover only macroeconomics. Micro focuses on the supply and demand for products, the labor markets, and the role competition plays in a free market system. **Macro** focuses on the economy as a whole, including economic measures, economic growth, fiscal policy, monetary policy, and international economics.

This class will prepare you for college and potentially allow you to earn college credits upon passing the AP Macroeconomics exams. Extensive math skills are not required; however, the ability to analyze graphs and charts and do basic math operations is essential.

Course Objectives

1. Students will be able to apply ECONOMIC ANALYSIS to a variety of real world situations to improve their personal and civic decision-making skills.
2. Students will prepare for their future educational and career goals by meeting COLLEGE-LEVEL EXPECTATIONS and practicing skills for life-long success.
3. Students will develop a sense of community and understanding economic variables

Resources

- A.P. Classroom Code: **W7GE2Q**
- Anderson, Ray. Krugman's Economics for the AP Course. 3rd ed. Macmillan Learning, 2019.

Additional Supplemental Resources

- AP Classroom
- Reffonomics.com
- AC/DC Economics on YouTube
- Khan Academy®

Course Requirements

This course can be broken down into three general areas listed on your course outline. Grades are as follows:

1. Tests 55%
2. Activities – Quizzes and Daily Assignments 35%
3. Term Exam – 10%

Problem Sets

- Problem Sets are essentially home tests that require you to explain and apply the concepts discussed in your class and in your book.
- Each problem set will contain at least two Free Response Questions (FRQs) similar to those given on the AP Exam. FRQs must be completed in class as time allows. Occasionally, they may be assigned as homework. Without exception, they should be completed independently.
- Problem sets must be handwritten and submitted in the order listed.

Unit Exams

- Unit exams include in between 30 to 40 multiples choice questions
- Approximately 25% of the questions are actual AP questions given on previous exams
- Each exam will also feature 2 to 3 FRQs that focus on the concepts learned.
- The FRQ section constitutes one third of your exam score.

The Finals and Mock Exams

- You will have a final exam at the end of the semester
- Semester Finals resemble the actual AP Exams.
- Each exam is divided into two sections: 60 multiple choice questions and 3 FRQs

Other Expectations

- Students must focus on their LEARNING and not just their letter grade.
- Attendance is a key ingredient to success. See the teacher after school for tutoring. Classmates may provide tutoring after class/school. Do not disrupt their learning for your make up work.
- All assignments are due on assigned days. LATE ASSIGNMENTS WILL BE ACCEPTED STARTING AT A 75.

Macroeconomics Outline (2nd Semester)

Unit 1: Basic Economic Concepts: 8-10 Days

(Sections 1 & 2 Textbook)

Overview: In this first unit, we will be introduced to the fundamental economic concepts such as scarcity and opportunity costs. We will study comparative advantage to determine the basis on which mutually advantageous trade can take place between countries. Other basic concepts that are explored include the functions performed by an economic system and the way the tools of supply and demand can be used to analyze a market economy.

- 1.1 Scarcity: the nature of economic systems
- 1.2 Opportunity costs and Production possibilities curve (PPC)
- 1.3 Comparative Advantage and Gains from Trade
- 1.4 Demand
- 1.5 Supply
- 1.6 Market Equilibrium, Disequilibrium, and Changes in Equilibrium

Unit 2: Economic Indicators and the Business Cycle: 9-11 Days

(Section 3 Textbook)

Overview: Since the performance of the economy as a whole is usually measured by trends in gross national product, gross domestic product, inflation, and unemployment we will learn about how these are measured and used. This unit covers the components of gross income measures and the costs of inflation and unemployment. It will make clear the distinction between nominal and real values, and give us some exposure to the use of price indices to convert nominal magnitudes into real magnitudes. We will look at the actual levels of U.S. inflation, unemployment, gross national product, and gross domestic product, as well as the ways that changes in one may affect the others.

- 2.1 The Circular Flow and GDP
- 2.2 Limitations of GDP
- 2.3 Unemployment
- 2.4 Prices Indices and Inflation
- 2.5 Costs of Inflation
- 2.6 Real v. Nominal GDP
- 2.7 Business Cycles

Unit 3: National Income and Price Determination: 10-12 Days

(Section 4)

Overview: In this next unit We will learn about national income and aggregate price levels. This is done through a general discussion of the nature and shape of the aggregate demand and supply curves. You will look at the differences between the Keynesian and classical views of the shape of the aggregate supply curve and the importance of the shape in determining the effect of changes in aggregate demand on the economy.

- 3.1 Aggregate Demand (AD)
- 3.2 Multipliers
- 3.3 Short-Run Aggregate Supply (SRAS)
- 3.4 Long-Run Aggregate Supply (LRAS)
- 3.5 Equilibrium in the Aggregate Demand/ Aggregate Supply (AS-AS) Model
- 3.6 Changes in the AD-AS Model in the Short Run
- 3.7 Long-Run Self-Adjustment
- 3.8 Fiscal Policy
- 3.9 Automatic Stabilizers

Unit 4: Financial Sector: 11-13 Days

(Section 5 Textbook)

Overview: As gas is to the automobile so is money to the economy. In this unit we will learn how money is “created” and the functions that it performs. We will look at the role that the central bank plays in controlling the money supply to achieve certain economic goals.

- 4.1 Financial Assets
- 4.2 Nominal v. Real Interest Rates
- 4.3 Definition, Measurement, and Functions of Money
- 4.4 Banking and the Expansion of the Money Supply
- 4.5 The Money Market
- 4.6 Monetary Policy

4.7 The Loanable Funds Market

Unit 5: Long-Run Consequences of Stabilization Policies: 8-10 Days

(Sections 6 & 7 Textbook)

Overview: John Maynard Keynes once remarked, “In the long run we are all dead.” In this next unit we will apply some of the macroeconomic tools that have been learned to help produce some insights relating to aggregate supply and economic growth over time. We will look at the debates over the causes of macro instability and the stabilization policies.

5.1 Fiscal and Monetary Policy Actions in the Short Run

5.2 The Phillips Curve

5.3 Money Growth and Inflation

5.4 Government Deficits and the National Debt

5.5 Crowding Out

5.6 Economic Growth

5.7 Public Policy and Economic Growth

Unit 6: Open Economy - International Trade and Finance: 5-7 Days

(Section 8 Textbook)

Overview: The formulation of macroeconomic policy has important ramifications for international economics, domestic growth, and gross domestic product. In this Unit we will learn that the combination of monetary and fiscal policies used in addressing problems of inflation and unemployment has an effect on domestic growth and on international factors such as exchange rates and the balance of payments. We will also learn the reverse: that international forces, often beyond a country’s control, affect a country’s exchange rates, which in turn affect a country’s interest rates, inflation, unemployment, and level of output.

6.1 Balance of Payments Accounts

6.2 Exchange Rates

6.3 The Foreign Exchange Market

6.4 Changes in Policies and Economic Conditions on the Foreign Exchange Market

6.5 Changes in the Foreign Exchange Market and Net Exports

6.6 Real Interest Rates and International Capital Flows

AP Exam Review – 1 Week