



AP Macroeconomics Course Syllabus

AP Macroeconomics is an introductory college-level course for high school students that focuses on the principles that apply to an economic system as a whole. The course places particular emphasis on the study of national income and price-level determination; it also develops students' familiarity with economic performance measures, the financial sector, stabilization policies, economic growth, and international economics. Students learn to use graphs, charts, and data to analyze, describe, and explain economic concepts.

Macro Economics will be divided into Eight Units for NUVHS Students, with the final unit used for review and a final exam.

Prerequisites

There are no prerequisites for AP Macroeconomics. Students should be able to read a college-level textbook and should possess solid mathematics and graphing skills.

AP Macroeconomics Course Content

The AP Macroeconomics course provides students with a thorough understanding of the principles of economics and how economists use those principles to examine aggregate economic behavior. Students learn how the measures of economic performance, such as gross domestic product (GDP), inflation, and unemployment are constructed and how to apply them to evaluate the macroeconomic conditions of an economy. The course recognizes the global nature of economics and provides ample opportunities to examine the impact of international trade and finance on national economies. Various economic schools of thought are introduced as students consider solutions to economic problems.

Course Objectives

*Students will master and analyze basic economic concepts including: Scarcity, Microeconomics vs. Macroeconomics, Positive vs. Normative Economics, Rational Self-Interest, Marginal Analysis, Opportunity Cost and Trade-offs, Production Possibilities Curves, the Four Factors of Production, Specialization and Trade, Circular Flow Model, Demand, Supply, Equilibrium, Price Controls and Elasticity.

*Students will identify and analyze comparative economic systems (free market and centrally planned).

*Students will properly master, synthesize, apply and evaluate formulas, theories, and models relating to Macro Economic Measures including: Gross Domestic Product, Inflation, and Unemployment.

*Students will properly master, synthesize, apply and evaluate Classical and Keynesian Economic Theory and Models as they relate to Aggregate Demand, Aggregate Supply, Fiscal Policy, and Economic Growth.

*Students will analyze and evaluate Money, Banking, and Monetary Policy, becoming familiar with the FED and its policies, including Tools of Monetary Policy, Expansionary Monetary Policy, Contractionary Monetary Policy, Reserve Requirement, Money Multiplier, Discount Rate, Open Market Operations, Federal Funds Rate, and the Market for Loanable Funds.

*Students will analyze and evaluate Trade and Foreign Exchange, properly synthesizing information and models involving exchange rates and balance of trade theories.

Required Text:

Publisher: Pearson
Title: Foundations of Macroeconomics 9/e
Author(s): Bade and Parkin
Year Published: 2021
Student edition text: ISBN 0-13-589401-8

Pearson ancillaries to include slide presentations, student study guides, interactive economic animation, section/chapter quizzes, graphing practice, chapter video summary, self-assessment modules.

Assessments Pearson Chapter Checkpoints (MC, Short Answer, FRQ, T/F questions)

Unit Exams, Mid-Term (Units 1-4), and Capstone (Units 1-8) Exams, including Multiple Choice and FRQ assessment.

Unit I. Basic Economic Concepts (Chapters 1,2; pp 1-54)

Assignments: Pearson Study Guide: Checkpoints 1; 1.1; 1.2; 2.1; 2.2; 2.3

- I. **Content**
 - A. Scarcity, choice and opportunity costs
 - B. Production possibilities curve
 - C. Comparative advantage, absolute advantage, specialization and exchange
 - D. Demand, supply and market equilibrium
 - E. Macroeconomic issues: business cycle, unemployment, inflation, and growth

- II. **Student Objectives/Assignments**
 - A. Define the science of economics
 - B. Distinguish between opportunity cost, scarcity and trade-offs.
 - C. Distinguish between macroeconomics and microeconomics
 - D. List the three basic economic questions
 - E. Define comparative advantage

- F. Using both graphical and table analysis, show the benefit of employing comparative advantage
- G. Use a production possibilities curve to demonstrate opportunity cost and growth
- H. List the determinants of demand and supply curves
- I. Recognize which factors will cause demand curves or supply curves to shift
- J. Distinguish between changes in quantity demanded versus a change in demand
- K. Distinguish between changes in quantity supplied versus a change in supply
- L. Determine effects on price and quantity when equilibrium changes
- M. Describe the macroeconomic performance in the United States and other countries—GDP, inflation, unemployment and other indicators

III. Graphs and Diagrams to be mastered

- A. Production Possibility Curve
- B. Demand and Supply Equilibrium
- C. Business Cycle

Unit II. Measurement of Economic Performance (Ch 3,4 pp. 57-110)

Assignments: Pearson Study Guide: Checkpoints 3.1; 3.2; 3.3; 3.4; 4.1; 4.2; 4.3; 4.4

I. Content

- A. National income accounts
 - 1. Circular flow
 - 2. Gross domestic product
 - 3. Components of gross domestic product
 - 4. Real versus nominal gross domestic product
- B. Inflation measurement and adjustment
 - 1. Price indices
 - 2. Nominal and real values
 - 3. Costs of inflation
- C. Unemployment



1. Definition and measurement
2. Types of unemployment
3. Natural rate of unemployment

II. Student Objectives

- A. Define Gross Domestic Product by expenditure and income approaches
- B. Distinguish between nominal GDP and real GDP
- C. Explain the limitations of GDP measures
- D. Define unemployment; list sources and types
- E. Define labor force participation rate
- F. Define the full employment level of GDP
- G. Distinguish between actual and potential GDP
- H. Explain the calculation of price indices—GDP deflator, CPI, PPI
- I. Use price indices to calculate real wages and real interest rates

III. Graphs and Diagrams to be mastered

- A. Circular Flow Diagram (simple and expanded)
- B. Effect of Minimum Wage on Labor Market

IV. Formulas to be mastered

- A. Gross Domestic Product (GDP) = Consumption Spending + Government Spending + Investment Spending + Net Export Spending ($GDP=C+G+I+X_n$)
- B. Disposable Income (DI) = Personal Income—Taxes + Transfers
- C. Per Capita GDP
- D. Calculation of Real GDP using an Index
- E. Labor Force Participation Rate
- F. Unemployment Rate
- G. Natural Rate of Unemployment
- H. Price Indexing and Consumer Price Index, Producer Price Index



Unit III. National Income and Price Determination (Ch 5,6,7 pp. 113-186)

Assignments: Pearson Study Guide: Checkpoints 5.1; 5.2; 5.3; 6.1; 6.2; 6.3; 7.1; 7.2; 7.3

I. Content

A. Aggregate demand

- 1. Determinants of aggregate demand**
- 2. Multiplier and crowding-out effects**

B. Aggregate supply

- 1. Short-run and long-run analyses**
- 2. Sticky versus flexible wages and prices**
- 3. Determinants of aggregate supply**

C. Macroeconomic equilibrium

- 1. Real output and price level**
- 2. Short and long run**
- 3. Actual versus full-employment output**
- 4. Economic fluctuations**

II. Student objectives

- A. List the determinants of aggregate demand**
- B. Distinguish between changes in AD and a change in price level causing movement along the AD curve**
- C. List reasons why the aggregate demand curve is down sloping**
- D. List the determinants of aggregate supply**
- E. Distinguish between changes in AS and a change in price level causing movement along the AS curve**
- F. Explain and demonstrate the shape of the aggregate supply curve in the short and long run; define and show the full-employment level of output (Q_f)**
- G. Determine the importance of the shape of the AS curve on the effects of change in the AD curve**



H. Determine equilibrium using an aggregate demand/aggregate supply graph and show the effects on price level and Real GDP when equilibrium changes in both the long and the short run

I. Given data, determine the size of the spending multiplier and assess its impact on aggregate demand

J. Define Fiscal Policy—discretionary and non-discretionary

K. Define and measure the effect of built-in stabilizers on the economy

L. Using AD/AS analysis, show the effect on price level and RDGP of changes in fiscal policy

M. Define the balance budget multiplier

N. Distinguish between sticky-price and sticky-wage models and flexible price and wage models; identify the effect of these differences on the AS curve

III. Graphs and Diagrams to be mastered

A. Aggregate Demand/Aggregate Supply Model (Short-run and Long-run)

B. Potential vs. Actual Output

C. Recessionary Gap and Inflationary Gap

D. Sources of Tax Revenue and Government Spending in US

E. Expansionary and Contractionary Fiscal Policy effects

IV. Formulas to be mastered

A. Marginal Propensity to Consume (MPC)

B. Marginal Propensity to Save (MPS)

C. Spending Multiplier $1/MPS$

Unit IV. Financial Sector: (Ch 8,9, 10 pp. 189-262)

Assignments: Pearson Study Guide: Checkpoints 8.1; 8.2; 9.1; 9.2; 9.3; 9.4; 10.1; 10.2; 10.3

I. Content

A. Money, banking and financial markets

1. Definition of financial assets: money, stocks, bonds

2. Time value of money (present and future value)

3. Measures of money supply



4. Banks and creation of money

5. Money demand

6. Money market

7. Loanable funds market

B. Central bank and control of the money supply

1. Tools of central bank policy

2. Quantity theory of money

3. Real versus nominal interest rates

II. Student Objectives

A. Define and list factors influencing money demand

B. Define money supply

C. Explain the financial system and define various types of financial assets

D. Define the Savings — Investment Spending Identity

E. Demonstrate understanding of the time value of money

F. Define a fractional banking system

G. Explain the role of the Federal Reserve System in the economy

H. Identify and examine the tools of central bank policy and their impact on money supply and interest rates

I. Describe the process of money creation and multiple-deposit expansion

J. Given data, determine the size of the money multiplier and assess its impact on the money supply

K. Distinguish between nominal and real interest rates

III. Graphs and Diagrams to be mastered

A. Money Market: Demand and Supply of Money and Equilibrium

B. Loanable Funds Market Demand and Supply of Loanable Funds and Equilibrium

C. TED spread

IV. Formulas to be mastered

A. Money Supply measurements (M1 and M2)

B. Present Value



C. Money Creation by the banking system

D. Money Multiplier

Unit V. Stabilization Policies (Ch 11, 12, 13 pp. 265-346)

Assignments: Pearson Study Guide: Checkpoints 11.1; 11.2; 11.3; 11.4; 12.1; 12.2; 12.3; 13.1; 13.2; 13.3

I. Content

A. Fiscal and monetary policies

- 1. Demand-side effects**
- 2. Supply-side effects**
- 3. Policy mix**
- 4. Government deficits and debt**

B. Inflation and unemployment

- 1. Types of inflation**
 - a. Demand-pull inflation**
 - b. Cost-push inflation**
- 2. The Phillips curve: short run versus long run**
- 3. Role of expectations**

II. Student objectives

- A. Assess the effect of fiscal and monetary policy on real output, price level and the level of employment in the long and short run**
- B. Gain understanding of how an economy responds to a short-run shock and adjusts in the long run in the absence of any public policy actions**
- C. Examine the economic effects of government deficit budgets including “crowding out”**
- D. Consider issues surrounding the size and burden of the national debt**
- E. Gain understanding of inflation-unemployment tradeoffs using short and long run Phillips curve analysis**
- F. Show the causes of inflation on an AD/AS model**
- G. Define the quantity theory of money**



H. Speculate on the role of inflationary expectations on price level and output

III. Graphs and Diagrams to be mastered

A. Money Market Model: Effect of policy actions on interest rate

B. Money Market Model: Setting the Federal Funds rate

C. Money Market Transition Mechanism: Short run and long run effects of expansionary and contractionary policy changes

D. Tracking Monetary Policy Using the Output Gap, Inflation and the Taylor Rule

E. Long-Run Determination of the Interest Rate

F. Classical Model of Price Level

G. Cyclical Unemployment and the Output Gap

H. Short Run Phillips Curve

I. Short Run Phillips Curve showing Supply Shocks; showing expected inflation

J. Long Run Phillips Curve and NAIRU (non-accelerating rate of unemployment)

K. The Fischer Effect

L. Fiscal Policy with a Fixed Money Supply

Unit VI. Economic Growth (Ch 14, 15, 16 pp. 349-419)

Assignments: Pearson Study Guide: Checkpoints 14.1; 14.2; 14.3; 14.4; 15.1; 15.2; 15.3; 16.1; 16.2; 16.3

I. Content

A. Investment in human capital

B. Investment in physical capital

C. Research and development, and technological progress

D. Growth policy

II. Student Objectives

A. Define economic growth and list the factors that stimulate growth

B. Assess the role of productivity in raising real output and standard of living

C. Suggest how public policies stimulate economic growth

III. Graphs and Diagrams to be mastered

A. Trade-off between Investment and Consumer Goods



B. Short Run movements along Long Run Aggregate Supply

C. Long Run Aggregate Supply Curve and Economic Growth

IV. Formulas to be mastered

A. Real GDP per Capita

B. Rule of 70

C. Aggregate Production Function

Unit VII. Open Economy: International Trade and Finance (Ch 17, 18, 19 pp. 423-500)

Assignments: Pearson Study Guide: Checkpoints 17.1; 17.2; 17.3; 18.1; 18.2; 19.1; 19.2

I. Content

A. Balance of Payments accounts

1. Balance of trade

2. Current account

3. Capital account

B. Foreign exchange market

1. Demand for and supply of foreign exchange

2. Exchange rate determination

3. Currency appreciation and depreciation

C. Net exports and capital flows

D. Links to financial and goods markets

II. Student objectives

A. Explain how the balance of payments accounts are recorded

B. Explain the effect of trade restrictions

C. List the factors that influence equilibrium foreign exchange rates

D. Using demand/supply analysis, show how market forces and public policy affect currency demand and currency supply

E. Define currency appreciation and depreciation and relate to graphical analysis

F. State the effects of appreciation and depreciation on a country's net exports

G. Understand how changes in net exports and capital flows affect financial and goods markets

III. Graphs and Diagrams to be mastered

A. Balance of Payments Accounts

B. International Capital Flows

C. Foreign Exchange Markets

D. Fixed Exchange Markets and Market Intervention

E. Monetary Policy Effects and the Exchange Rate

Unit VIII. Review/ Final

A. Review Models: Production Possibilities Curve, Market Demand and Supply, Aggregate Demand and Supply and LRAS, The Philips Curve, The Money Market, Bank Balance Sheets, The Loanable Funds Market, Foreign Exchange (FOREX)

B. Final Exam

NUVHS Grading Scale:

Letter Grade	Percentage Earned
A	95%+
A-	90% - 94.9%
B+	87% - 89.9%
B	84% - 86.9%
B-	80% - 83.9%
C+	77% - 79.9%
C	74% - 76.9%
C-	70% - 73.9%
D+	67% - 69.9%
D	64% - 66.9%
D -	60% - 63.9%
F	59% and lower

SUPPORT

At NUVHS you will have access to multiple support teams. Who you contact will depend on the questions you have. Always start by contacting your teacher through the Message Center in the course. Your teacher should be able to answer your question, but if they can't, then they will direct you to another support team. If you have questions about any of the course content, your grades, or course policies, you should contact your instructor.



For questions about your enrollment, transcripts, or general school-wide policies, you can contact **NUVHS Student Services** at info@nuvhs.org or by phone at 866.366.8847. For example, if you would like to withdraw from your course, you should contact Student Services. Please note that a refund for your course can only be obtained if you drop within the first seven days of enrolling in the course.

For help with login/password issues, or other technical issues specific to the Blackboard website, you can contact the team at [National University Blackboard Learn](#). They can also be reached by phone at (888) 892-9095.

EXPECTED SCHOOL-WIDE LEARNING RESULTS (ESLRs)

Engaged Learners

- Demonstrate self-directed learning skills such as time management, and personal responsibility through the completion of course requirements
- Develop an understanding of their own preferred learning styles to enhance their overall academic potential
- Incorporate effective and relevant internet and multimedia resources in their learning process to broaden their knowledge base

Critical Thinkers

- Effectively analyze and articulate sound opinions on a variety of complex concepts
- Illustrate a variety of problem-solving strategies that strengthen college preparation and workforce readiness
- Formulate a framework for applying a variety of technology and internet-based research to enhance information literacy and collaborative thinking

Effective Communicators

- Demonstrate awareness and sensitivity to tone and voice in multiple forms of communication
- Express concepts and ideas in a variety of forms
- Enhance communication skills through the use of media rich or other technology resources

Global Citizens

- Appreciate the value of diversity
- Understand the range of local and international issues facing today's global community
- Demonstrate awareness of the importance of cultural sensitivity and social responsibility in the 21st century