



Online Courses for High School Students

1-888-972-6237

AP Macroeconomics

Course Description:

This course is the equivalent of an introductory college-level course. Students learn why and how the world economy can change from month to month, how to identify trends in our economy, and how to use those trends to develop performance measures and predictors of economic growth or decline. Students also examine how individuals and institutions are influenced by employment rates, government spending, inflation, taxes, and production. Students prepare for the AP Exam and for further study in business, political science, and history.

Prerequisites: Successful completion of Honors Algebra II (or equivalent) and a teacher/counselor recommendation.

Course Length: One Semester

Required Text:

- Economics for Today, 6th edition, ed. Irvin B. Tucker, South-Western/Cengage Learning, 2010, 2008. ISBN: 0-324-59136-5.

OR

- Macroeconomics for Today. Irvin B. Tucker, South-Western/Thomson Learning, 2008. ISBN: 0-324-40799-8. (various editions)

Course Outline:

Unit 1: What Is Economics?

Topics covered in this unit:

- What is Economics?
- Scarcity, Wants, and Resources
- Scarcity and Value
- Markets
- Graphing
- Economics as a Science
- Three Fundamental Questions
- Different Ways to Organize an Economic System
- The U.S.: A Mixed Economy
- Four Economic Goals

Unit 2: Basic Economic Concepts

Topics covered in this unit:

- Net Benefits and Self-interest
- Costs Are Opportunity Costs
- Sunk Costs
- Positive and Normative Economics

- The Production Possibilities Frontier
- PPF and Opportunity Costs
- PPF and Efficiency
- Shifts of the PPF
- Absolute Advantage
- Comparative Advantage
- Trade between Individuals
- Specialization
- Production Possibilities Frontier for an Economy
- International Trade: A Positive View
- International Trade: A Normative View
- Demand
- Change in Quantity Demanded
- Change in Demand
- Price Elasticity of Demand
- Supply
- Change in Quantity Supplied
- Price Elasticity of Supply
- Equilibrium
- Change in Demand and Supply
- Price Ceilings and Price Floors

Unit 3: Macroeconomic Variables

Topics covered in this unit:

- Sectors
- Markets
- Expenditures
- Income
- Circular Flow
- Gross Domestic Product
- Income and Expenditure
- Leakages and Injections
- National Income Accounts
- Measuring Growth
- Sources of Growth
- Savings vs. Spending
- Changes in Real and Nominal GDP
- Changes Over Time
- Real GDP, Unemployment, and other Variables
- Types of Unemployment
- Full Employment
- Costs of Unemployment
- CPI
- Measuring Inflation
- Issues with the CPI
- Interest Rates
- Components of Interest Rates
- Types of Interest Rates

- Investment
- Stocks, Bonds, & More
- Sources of Inflation
- Real Variables
- Costs of Inflation

Unit 4: The AD/AS Model

Topics covered in this unit:

- Aggregate Demand
- Changes in the Price Level
- Changes in Aggregate Demand
- Aggregate Supply
- Full Capacity
- Shape of AS Curve
- Shifts of AS
- Short Run Equilibrium
- Demand Shock
- Supply Shock
- Full Employment
- Long-Run Aggregate Supply
- Changes in Long-Run Equilibrium

Unit 5: Keynesian Economics and Fiscal Policy

Topics covered in this unit:

- Consumption
- MPC
- Changes in Consumption
- Investment
- Aggregate Expenditures
- Keynesian Equilibrium
- Changes in Equilibrium
- Sticky Prices
- AS Curve
- AD Curve
- Economic Change
- Keynesian Analysis
- AD/AS Analysis
- Fiscal Policy Today
- Tax and Spend
- Debt and Deficit
- Crowding Out
- Multiplier Effect

Unit 6: Money

Topics covered in this unit:

- Functions of Money
- Examples of Money
- Liquidity
- Money Demand

- Fractional Reserve Banking
- The Federal Reserve
- Disintermediation
- History of the U.S. Banking System
- Money Creation
- Money Multiplier
- Money Supply
- Monetary and Fiscal Tools
- Required Reserve Ratio
- Discount Rate
- Open Market Operations
- Monetary Policy
- Contractions and Expansions
- Stagflation and the Fed
- Monetarism
- Laissez-Faire Debate
- Expectation Theory
- Interest Rates
- Phillips Curve
- Other Implications of Monetary and Fiscal Policies

Unit 7: International Economics

Topics covered in this unit:

- Free Trade
- Protectionism
- Exchange Rates
- Current Account
- Capital Account
- Balance of Payments
- One Price
- Fiscal Policy
- Monetary Policy

Unit 8: Preparing for the AP Exam

Topics covered in this unit:

- Comprehensive Macroeconomics Review and AP Exam Practice