

Course Title: AP Macroeconomics (Online)

Meeting Times: This course meets for 18 weeks. Since this is an online course, student schedules vary depending on their local school schedule. Students either meet for 90 minutes every other day or for 45 minutes every day, with the majority of students meeting on a 90 minute block schedule. Students are also expected to spend additional time outside of class on activities such as reading material and reviewing feedback as well as writing, researching, and completing assignments.

Course Description: AP Macroeconomics is designed as a one semester, introductory college level course in macroeconomics.

This course emphasizes economic principles as applied to the economy as a whole and places emphasis on the study of national income and price-level determination, and also develops the students' familiarity with economic performance measures, the financial sector, stabilization policies, economic growth, and international economics.

Additionally, the course teaches students how to generate, interpret, label, and analyze graphs, charts, and data to describe and explain economic concepts.

Course Purpose and Goals:

Philosophy

AP Macroeconomics is designed to offer students an opportunity to take a rigorous and challenging class equivalent to an introductory college-level course. This course is open to students who are willing to accept the challenge and responsibility of engaging in a demanding curriculum. Unlike the standard semester long Economics course that provides a very broad overview of both macro- and microeconomics, AP Macroeconomics focuses primarily on aggregate economic activity and the utilization of resources within and across countries. Students who have elected to participate in this class are required to take the AP Macroeconomics Exam in May in order to receive the weighted grade credit. Students who successfully score a 3, 4, or 5 on the AP Macroeconomics Exam may either receive an exemption from the college-level course or three hours of college credit upon approval at their selected college or university.

Goals

Upon completion of AP Macroeconomics, students will be able to:

- demonstrate their understanding of aggregate economic activity
- assess the utilization of resources within and across countries
- evaluate determinants of economic progress and economic decisions made by policymakers.

This course is designed in accordance with the College Board AP Course Description, May 2009, May 2010. This instructor has read this document and incorporates its principles into instruction.

Conceptual Organization

AP Macroeconomics is organized in a chronological order and broken into 7 modules that group content topics that are closely related. The content and level of depth of the material is equivalent to a college-level course.

The following topics are to be covered in the course:

1. Introduction to Economics
2. Measurement of Economic Performance
3. National Income and Price Determination
4. Financial Sector
5. Stabilization Policies
6. International Economics

Course Format and Policies:

The online courses have the same level of rigor and adhere to the same standards set forth by the school system and the College Board. To access all courses, students need access to a computer and the Internet. All classes are offered via the Blackboard Learning Management System. This class is designed along the lines of a block schedule as that is the one employed by the majority of our schools. However, the flexibility of the class allows it to be utilized either as a block or traditional “everyday” class. An additional plus of the course design is that students have access to the class 24/7 and can access it from both school and home.

This course has been designed with a “hands-on” approach in distance learning. The student’s active participation in this course is essential. A great deal of learning in an online environment occurs as a result of learners being engaged in on-going conversations. Web-conferencing, discussion boards, instant messaging and collaborative group projects are used to facilitate this approach. When learners share their knowledge, experiences, and understanding of the course materials, the learning process is facilitated and advanced. In discussions, students are expected to post substantive contributions. Examples of this include; supporting a position, beginning a new topic of discussion, or adding to an ongoing discussion.

In order for students to be successful in a college level course, it is essential that they form the habit of maximizing their time in order to complete all assigned reading prior to class discussions. This is a responsibility students particularly need to cultivate in online courses, as it is very easy to fall behind without a clear regimen of self-discipline.

Textbook, Materials, and Other Resources:

Required Textbook:

Mankiw, Gregory. *Principles of Economics*, 5th edition. Harvard University Press. ISBN: 0-324-58997-2

Supplementary Materials:

Morton, John. *Advanced Placement Economics: Macroeconomics Student Activities*, 3rd edition. New York: National Council on Economics Education, 2003

McConnell, Campbell and Brue, Stanley. *Economics: Principles, Problems, and Policies*, 17th edition. ISBN: 0-073-12663-2

Federal Reserve Bank websites

<http://reffonomics.com/reff/index.html>

Wall Street Journal, *New York Times*, *Economist*, *Business Week*, and *Newsweek* newspaper and magazine websites

Videos from the Federal Reserve and the *Economics U\$A* series

Course Content Outline:

Module 1 – Introduction to Economics (4 weeks)		
Topics	Readings/ Resources	Assignments/ Activities
I. Basic Economic Concepts a. Scarcity, Choice and Opportunity Costs b. Circular Flow of Economic Activity c. Production Possibilities Curve d. Comparative Advantage and Trade e. Functions and Goals of an Economic System II. Demand, Supply, and Price Determination a. Demand b. Supply c. Equilibrium Price and Quantity d. Elasticity	<p>Textbook: Mankiw – Chapters 1-6, pgs 3-134</p> <p>Supplemental Materials: Online web lecture via Blackboard - <i>Module 1- Introduction to Economics</i></p> <p>Morton – Activities 1-8 and 10-11</p> <p><i>Economics U\$A</i> Video – Resources and Scarcity</p> <p>McConnell/Brue – Chapters 1-3</p>	<ul style="list-style-type: none"> • Chapter Quizzes • Discussion Boards Appropriate to Topics • Worksheets/Activities Appropriate to Topics • Graphing Activities/Practice • Demand, Supply & Price Project

Module Assessment: Teacher-made test to include Multiple Choice and Free Response Questions

Key words or terms: economics, factors of production, scarcity, opportunity costs, trade-offs, microeconomics, macroeconomics, absolute advantage, comparative advantage, specialization, demand, circular flow of economic activity, law of demand, quantity demanded, market demand, substitutes, complements, supply, law of supply, quantity supplied, market supply, equilibrium price, equilibrium quantity, shortage, surplus, price floor, price ceiling

Graphs:

- Production possibilities curve (PPF)
- Demand and supply curves showing equilibrium
- Demand and supply curves showing shifts in demand/supply
- Circular Flow of Economic Activity

Module 2 – Measurement of Economic Performance (4 weeks)

Topics	Readings/ Resources	Assignments/ Activities
I. Business Cycle and GDP Measurement <ul style="list-style-type: none"> a. Phases of the Business Cycle b. Measuring GDP <ul style="list-style-type: none"> i. Expenditure Approach ii. Income Approach iii. Changing Nominal GDP to Real GDP iv. Other National Accounts II. Inflation <ul style="list-style-type: none"> a. Measurement of Inflation <ul style="list-style-type: none"> i. Consumer Price Index ii. Producer Price Index b. Types of Inflation <ul style="list-style-type: none"> i. Demand-Pull Inflation ii. Cost-Push Inflation c. Consequences of Inflation III. Unemployment <ul style="list-style-type: none"> a. Unemployment b. Types of Unemployment 	<p>Textbook: Mankiw – Chapters 23, 24, 28, and part of 30, pgs 507-546, 613-638, and 676-688</p> <p>Supplemental Materials: Online web lecture via Blackboard - Module 2- Measurement of Economic Performance</p> <p>Morton – Activities 12-17</p> <p><i>Economics U\$A</i> Video – U.S. Economic Growth and Inflation</p> <p>McConnell/Brue – Chapters 6, 8-9, and 7</p>	<ul style="list-style-type: none"> • Chapter Quizzes • Discussion Boards Appropriate to Topics • Worksheets/Activities Appropriate to Topics • Graphing Activities/Practice • Inflation Project

Module Assessment: Teacher-made test to include Multiple Choice and Free Response Questions

Key words or terms: Gross domestic product, intermediate goods, final goods, expenditure

approach, income approach, personal consumption expenditures, gross private domestic investment, net private domestic investment, net exports, national income, consumption of fixed capital, depreciation, personal income, disposable personal income, nominal GDP, real GDP, GDP deflator, peak, recession, trough, recovery, inflation, Consumer Price Index, demand-pull inflation, cost-push inflation, nominal income, real income, deflation, labor force, unemployment rate, frictional unemployment, full employment, unemployment rate

Graphs:

- Circular Flow of Economic Activity
- Phases of the Business Cycle

Module 3 – National Income and Price Determination (4 weeks)

Topics	Readings/ Resources	Assignments/ Activities
I. Aggregate Demand <ul style="list-style-type: none"> a. Determinants of Aggregate Demand b. Multiplier and Crowding Out Effects II. Aggregate Supply <ul style="list-style-type: none"> a. Short-run and Long-run Analyses b. Sticky vs. Flexible Wages and Prices c. Determinants of Aggregate Supply III. Macroeconomic Equilibrium <ul style="list-style-type: none"> a. Real Output and Price Level b. Short-run and Long-run c. Actual vs. Full Employment Output d. Economic Fluctuations e. Determinants of Economic Progress and Rates of Productivity <ul style="list-style-type: none"> i. Investment in Human Capital ii. Investment in Physical Capital iii. Research and Development iv. Growth Policies IV. Phillips Curve <ul style="list-style-type: none"> a. Short-run b. Long-run 	<p>Textbook: Mankiw – Chapters 33, 25, and 35, pgs 739-776, 549-574, and 801-826</p> <p>Supplemental Materials: Online web lecture via Blackboard - Module 3-National Income and Price Determination</p> <p>Morton – Activities 20-29 and 46-47</p> <p><i>Economics U\$A</i> Video – Supply and Demand and Markets and Prices</p> <p>McConnell/Brue – Chapters 10, and 15-16</p>	<ul style="list-style-type: none"> • Chapter Quizzes • Discussion Boards Appropriate to Topics • Worksheets/Activities Appropriate to Topics • Graphing Activities/Practice

Module Assessment: Teacher-made test to include Multiple Choice and Free Response Questions

Key words or terms: marginal propensity to consume, marginal propensity to save, multiplier effect, crowding out effect, investment, investment schedule, leakage, injection, real balances effect, interest-rate effect, foreign purchases effect, aggregate demand, short-run aggregate supply, long-run aggregate supply, equilibrium price level, equilibrium real output, economic growth, labor productivity, labor-force participation rate, human capital, economies of scale, infrastructure, efficiency, Phillips Curve, stagflation, aggregate supply shocks, long-run vertical supply curve

Graphs:

- Investment Demand Curve
- Aggregate Demand Curve (AD)
- Short-run Aggregate Supply Curve (SRAS)
- Long-run Aggregate Supply Curve (LRAS)
- Short-run Phillips Curve
- Long-run Phillips Curve

Module 4 – Financial Sector (3 weeks)

Topics	Readings/ Resources	Assignments/ Activities
I. Money, Banking, and Financial Markets <ul style="list-style-type: none"> a. Financial Assets: Money, Stocks and Bonds b. Time Value of Money c. Functions of Money d. Measures of Money Supply e. Role of the Banking System f. Money Market g. Loanable Funds Market II. Central Bank and Control of the Money Supply <ul style="list-style-type: none"> a. Origins and Organization of the Federal Reserve b. Tools of the Fed <ul style="list-style-type: none"> i. Open Market Operations ii. Discount Rate iii. Reserve Requirement c. Quantity Theory of Money d. Real vs. Nominal Interest Rates 	<p>Textbook: Mankiw – Chapters 26-27, and 29, pgs 575-612 and 641-662</p> <p>Supplemental Materials: Online web lecture via Blackboard - Module 4-Financial Sector</p> <p>Morton – Activities 34-42</p> <p><i>Economics U\$A</i> Video – The Banking System</p> <p><i>Federal Reserve</i> Video – The Fed Today</p> <p>McConnell/Brue – Chapters 12-13</p>	<ul style="list-style-type: none"> • Chapter Quizzes • Discussion Boards Appropriate to Topics • Worksheets/Activities Appropriate to Topics • Graphing Activities/Practice • Stock Market Project

Module Assessment: Teacher-made test to include Multiple Choice and Free Response Questions

Key words or terms: medium of exchange, store of value, measure of value, M1, M2, M3,

checkable deposits, demand deposits, time deposits, legal tender, money market, asset demand, transaction demand, balance sheet, T account, fractional reserve banking system, required reserves, excess reserves, actual reserves, federal funds rate, prime interest rate, discount rate, open-market operations, monetary multiplier, nominal interest rate, real interest rate, FDIC, velocity of money

Graphs:

- Money Market
- Loanable Funds Market

Module 5 – Stabilization Policies (3 weeks)

Topics	Readings/ Resources	Assignments/ Activities
<p>I. Fiscal and Monetary Policies a. Demand-side Policies b. Supply-side Policies</p> <p>II. Laffer Curve</p> <p>III. Government Deficits and Debts</p>	<p>Textbook: Mankiw – Chapters 34, 8, 32, and part of 36, pgs 777-800, 159-176, 715-738, and 829-834</p> <p>Supplemental Materials: Online web lecture via Blackboard - Module 5- Stabilization Policies</p> <p>Morton – Activities 30-32 and 43-45</p> <p><i>Economics U\$A</i> Video – Fiscal Policy , Monetary Policy , and Stabilization Policy</p> <p>McConnell/Brue – Chapters 11, 14, and 17</p>	<ul style="list-style-type: none"> • Chapter Quizzes • Discussion Boards Appropriate to Topics • Worksheets/Activities Appropriate to Topics • Graphing Activities/Practice • Are you a Keynesian or Monetarist? Project

Module Assessment: Teacher-made test to include Multiple Choice and Free Response Questions

Key words or terms: discretionary fiscal policy, demand-side economics, expansionary fiscal policy, contractionary fiscal policy, budget deficit, budget surplus, built-in stabilizer, discretionary policy, supply-side economics, Laffer Curve, progressive tax system, regressive tax system, proportional tax system, crowding out effect, net export effect, open-market operations, discount rate, reserve requirement, short run, long run

Graphs:

- Aggregate Demand Curve (AD)
- Short-run Aggregate Supply Curve (SRAS)
- Long-run Aggregate Supply Curve (LRAS)
- Loanable Funds Market
- Laffer Curve

Module 6 – International Economics (3 weeks)

Topics	Readings/ Resources	Assignments/ Activities
<p>I. International Trade and Finance</p> <p>a. Balance of Payments Accounts</p> <p> i. Balance of Trade</p> <p> ii. Current Account</p> <p> iii. Capital Account</p> <p>b. Comparative and Absolute Advantage</p> <p>c. Free Trade vs. Protectionism</p> <p>d. Foreign Exchange Markets</p> <p> i. Demand for and Supply of Foreign Exchange</p> <p> ii. Exchange Rates</p> <p> iii. Currency Appreciation and Depreciation</p> <p>e. Net Exports and Capital Flows</p> <p>II. Comparative Economic Systems</p> <p>a. Basic Types of Economic Systems</p> <p> i. Traditional, Command and Market Economies</p> <p> ii. Mixed Economies</p> <p> iii. Capitalism vs. Socialism</p> <p> iv. Comparing the Systems</p> <p>b. Comparing Developed and Developing Nations</p> <p> i. Classifying by GDP</p> <p> ii. Sustaining Economic Growth in Developing Nations</p>	<p>Textbook: Mankiw – Chapters 31 and part of 32, pgs</p> <p>Supplemental Materials: Online web lecture via Blackboard - Module 4-Financial Sector</p> <p>Morton – Activities 49-55</p> <p><i>Economics U\$A</i> Video – International Trade and Exchange Rates</p> <p>McConnell/Brue – Chapters 5, and 35-36</p>	<ul style="list-style-type: none"> • Chapter Quizzes • Discussion Boards Appropriate to Topics • Worksheets/Activities Appropriate to Topics • Graphing Activities/Practice • Currency and Exchange Rates Project

1. National Resources 2. Policy Making iii. Implications for a Changing World		
<i>Module Assessment:</i> Teacher-made test to include Multiple Choice and Free Response Questions		
<i>Key words or terms:</i> tariffs, quotas, subsidies, absolute advantage, comparative advantage, terms of trade, world price, domestic price, current account, balance on goods and services, trade deficit, trade surplus, capital account, official reserves, flexible exchange rates, fixed exchange rates, depreciation, appreciation, General Agreement on Tariffs and Trades (GATT), World Trade Organization (WTO), North American Free Trade Agreement (NAFTA), traditional economy, command economy, market economy, mixed economy, capitalism, socialism		
<i>Graphs:</i> <ul style="list-style-type: none"> • Production Possibilities • Foreign Exchange Market 		

Assignments and Assessments: Students will earn points through a variety of activities, projects, and tests during each quarter. Assignments are weighted according to importance.

- a. *Discussion Boards (15%)* – Discussion questions will vary according to the topic.
- b. *Quizzes (20%)* – Quizzes will be from the readings and other assigned resources.
- c. *Activities/Worksheets/Projects (25%)* – These assignments will vary from basic worksheets to analytical exercises.
- d. *Tests (50%)* – Module tests are modeled after the AP exam to the best of the instructor’s ability. They include both Multiple Choice and Free Response Questions. Additionally, there are also time parameters so students become conditioned to reading and processing in the same way that is required on the AP exam.

Grading Policy:

Students will receive a weighted grade for satisfactory completion of an AP course, and the taking of the AP Exam:

Un-weighted Scale	Weighted Scale
A=4	A=5
B=3	B=4
C=2	C=3
D=1	D=2

Grading Scale:

90 to 100 =	A
80 to 89 =	B
70 to 79 =	C
60 to 69 =	D
59 or below =	F

Support Services: To help students maintain successful participation, each student has a designated local facilitator who serves as the liaison between the teacher, the student, parents and local school administrators.

Students can organize and participate in study groups, although discussion must be conducted in an asynchronous manner because of the online learning aspect of the course. The students are in many different time zones around the world. Additionally, they are periodically placed in groups in order to collaborate in long-term projects throughout the year.

AP Macroeconomics Course Information and Syllabus

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School Year 2011-2012/Semester 2
DoDEA Virtual High School, Americas Hub
Arlington/Quantico, VA, USA

**PLEASE *PRINT* this page, READ and SIGN WITH A PARENT
then,
PLEASE SCAN the completed form and SUBMIT IN BLACKBOARD
on the *Course Information and Syllabus* assignment web page in the *Tasks*
folder of *Module 0*.**

(NOTE: This will be one of your first grades for the class.)

FOR 5 EXTRA CREDIT POINTS... In addition to YOU submitting this form in
Blackboard, have one of your parents email me directly
with his/her contact information!!!!!!

I have read and understood the syllabus for Mrs. Watson's AP Macroeconomics course.

Student's Signature: _____

Student's Printed Name: _____

**Student's Alternate (ie – yahoo, gmail, etc) E-mail
Address:** _____

Parent's Signature: _____

Parent's Printed Name: _____

**Parent's E-mail
Address:** _____

**Home
Phone:** _____

**Cell
Phone:** _____

**Work
Phone:** _____

Comments/Questions: