

Advanced Placement Macroeconomics

Course Description

This course is governed by the AP College Board. Individual teachers are required to have approval of syllabus and course materials by the College Board prior to offering the course.

The purpose of an AP course in macroeconomics is to give students a thorough understanding of the principles of economics that apply to an economic system as a whole. This course places particular emphasis on the study of national income and price-level determination and also develops students' familiarity with economic performance measures, the financial sector, stabilization policies, economic growth, and international economics.

Course Code:

Program(s) of Study to which This Course Applies

- Finance

Course Framework	Reference Standards	Academic Crosswalk
Standard 1. Students will understand and apply economic concepts and systems to analyze decision making and the interactions between individuals, households, businesses, government, and society.	College Board for AP Macroeconomics	[TBD by NDE]
Benchmark 1.1 Summarize scarcity, choice, and opportunity costs. Benchmark 1.2 Create production possibilities curves. Benchmark 1.3 Distinguish between comparative advantage and absolute advantage. Benchmark 1.4 Analyze intricacies of specialization and exchange. Benchmark 1.5 Illustrate intricacies of demand, supply, and market equilibrium including determinants. Benchmark 1.6 Research macroeconomics issues including the business cycle, unemployment, inflation, and growth.	College Board for AP Macroeconomics	[TBD by NDE]
Standard 2. Students will explore and manipulate measurements of economic performance.	College Board for AP Macroeconomics	

<p>Benchmark 2.1 Demonstrate comprehension of national income accounts, circular flow, GDP including all components, and distinguish between real and nominal GDP. Benchmark 2.2 Construct graphs to depict inflation measurement and adjustment. Benchmark 2.3 Demonstrate comprehension of price indices, nominal and real values, and costs of inflation. Benchmark 2.4 Define and measure unemployment, types of unemployment, and natural rate of unemployment.</p>	<p>College Board for AP Macroeconomics</p>	
<p>Standard 3. Students will understand national income and price determination.</p>	<p>College Board for AP Macroeconomics</p>	
<p>Benchmark 3.1 Demonstrate knowledge of aggregate demand including determinants, the multiplier, and the crowding out effect.</p>	<p>College Board for AP Macroeconomics</p>	
<p>Benchmark 3.2 Demonstrate knowledge of aggregate supply including short run and long run analysis, sticky versus flexible wages and prices, and determinants of aggregate supply.</p>	<p>College Board for AP Macroeconomics</p>	
<p>Benchmark 3.3 Demonstrate knowledge of macroeconomic equilibrium including real output and price level, short and long run, actual versus full employment output, and economic fluctuations.</p>	<p>College Board for AP Macroeconomics</p>	
<p>Standard 4. Students will understand the financial sector of the U.S. economy.</p>	<p>College Board for AP Macroeconomics</p>	
<p>Benchmark 4.1 Explain money, banking, and financial markets including defining financial assets.</p>	<p>College Board for AP Macroeconomics</p>	
<p>Benchmark 4.2 Apply and articulate time value of money, measures of the money supply, banks and creation of money, money demand, money market, and loanable funds market.</p>	<p>College Board for AP Macroeconomics</p>	
<p>Benchmark 4.3 Demonstrate knowledge of the central bank and control of the money supply including tools of the central bank, central bank policy, quantity theory of money, and real versus nominal interest rate.</p>	<p>College Board for AP Macroeconomics</p>	
<p>Standard 5. Students will understand inflation, unemployment, and stabilization policies.</p>	<p>College Board for AP Macroeconomics</p>	
<p>Benchmark 5.1 Define fiscal and monetary policies including demand-side effects, supply-side effects, policy mix, government deficits, and national debt.</p>	<p>College Board for AP Macroeconomics</p>	



Benchmark 5.2 Compare relationships between inflation and unemployment rates including types of inflation, demand-pull inflation, cost-push inflation, Phillips Curve, and role of expectations.	College Board for AP Macroeconomics	
Standard 6. Students will demonstrate knowledge of economic growth and productivity.	College Board for AP Macroeconomics	
Benchmark 6.1 Draw conclusions on the effect of investment in human capital.	College Board for AP Macroeconomics	
Benchmark 6.2 Draw conclusions on the effect of investment in physical capital.	College Board for AP Macroeconomics	
Benchmark 6.3 Investigate and reflect on research and development and the technological process that spurs innovation.	College Board for AP Macroeconomics	
Benchmark 6.4 Explain why economies grow.	College Board for AP Macroeconomics	
Standard 7. Students will understand international trade and international finance.	College Board for AP Macroeconomics	
Benchmark 7.1 Define balance of payments accounts including balance of trade, current accounts, and capital accounts.	College Board for AP Macroeconomics	
Benchmark 7.2 Explain intricacies of foreign exchange markets including demand for and supply of foreign exchange, exchange rate determination, appreciation, and depreciation.	College Board for AP Macroeconomics	
Benchmark 7.3 Demonstrate understanding of net exports and capital flows.	College Board for AP Macroeconomics	

Reference Standards Sources

- College Board AP Economics Course Description, <http://apcentral.collegeboard.com>

Contributors

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Other Information

Suggestions for innovative teaching and learning strategies:	<ul style="list-style-type: none">• College Board/AP Economics homepage http://apcentral.collegeboard.com• <i>Advanced Placement Economics Teacher Resource Manual</i> from Council on Economic Education or Nebraska Council on Economic Education• Nebraska Council on Economic Education www.nebraskacouncil.org
Related assessments:	<ul style="list-style-type: none">• AP Exam
Extended learning opportunities:	<ul style="list-style-type: none">• http://apcentral.collegeboard.com• FBLA competitions• DECA• Academic Decathlons