**AP Macroeconomics**

**Ms. Boy- Room H110**

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***“Economics is everywhere, and understanding economics can help you make better decisions and lead to a happier life”- Tyler Cowen***

The purpose of an Advanced Placement course in Macroeconomics is to give students a thorough understanding of the principles of economics that apply to national income and price determination, economic performance measures, economic growth, and international economics. The course focuses on the four main players in the economy: households, the business, the government, and the international sector.

**Classroom Expectations:**

**All policies of the Cartersville High School Student Handbook will be enforced.**

**C**ommit To Excellence- Be on time and prepared for class and learning

**O**wn My Behavior- Keep all personal electronic devices put away

**D**emonstrate Respect- Listen to whoever is speaking in class and pay attention

**E**xhibit A Positive Attitude- Clean up after yourself

**Tardies:**

It is imperative that you are in class on time each day. The tardy policy of Cartersville High School with be enforced and is as follows:

1st and 2nd Tardy- Warning

3rd Tardy- Phone call to parent

4th Tardy- One day of ISS

5th Tardy- 3-days of ISS and Social Worker Referral

6th Tardy- Potential referral to Reset Program

\*\*Tardies are cumulative throughout your schedule. So, if you are tardy to fist period one day and then tardy to third period the next day, you already are at two tardies.

**Materials:**

* 3-ring binder (at least 1 inch)
* Notebook Paper
* Blue/Black Ink Pens
* Pencils
* Expo Marker
* Colored Pencils or Pens- not required but helpful for drawing graphs

**Textbook:** *Krugman’s Economics for AP,* by Margaret Ray and David Anderson.

These are brand new books. Please take care of them. You will be responsible for the replacement cost of the book if it is damaged or lost depending on the severity of damage. The full replacement fee is $179.98.

**AP Classroom:** The code to join AP Classroom is below. Please have joined AP Classroom by

**Wednesday, August 7.**

**First Period Code- EL73M7**

**Third Period Code- 74LZMY**

**Grading:**

Students will be assessed in a variety of ways. This may include but is not limited to homework in-class activities, quizzes, tests, and projects. The semester grades are made up of a combination of Formative (40%) and Summative (60%) assessments.

-At the end of a semester course, the Final Course Average is calculated with 90% (semester grade) and the Final Exam, 10%.

**Homework:**

Preparation outside of class will be key for your success. **Homework is due at the beginning of class. Ten points a day will be taken off for late work. After 3 days, the highest grade you may receive is a 70.** If you are absent, (excused or unexcused) you have 5 days upon your return to complete both summative and formative assessments. Please communicate summative makeups with the teacher.

**Testing:**

There will always be advanced notice of quizzes and unit tests. Most Unit Tests in AP Macro will consist of two parts, Free Response Questions and Multiple Choice.

**AP Testing:**

Students and parents will decide whether to take the AP exam for this class**.** You will sign up for the exam in AP Classroom. The Cartersville School System pays a portion of the fee for the test. Those who wish to take an AP exam will be asked to pay the remainder of the fee for each AP exam they decide to take. STEM classes and free/reduced lunch students will be able to get ONE free AP exam. **The AP Macro exam is Friday, May 9, 2025.**

**Study Hall:**

**Students and parents must understand that this is a college level course**. As such, **students are expected to spend a great deal more time on this class than they would a regular Economics class.** The very nature of Economics makes is like a foreign language at the beginning. It is important for students to work on Economics daily or they will get behind. **Study Hall will be on Wednesday afternoons during FAB sessions or by appointment with the teacher.**

**Summary Outline of Course and Exam**

Content Area Exam Weight in MC Section

I. Basic Economic Concepts 5-10%

A. Scarcity, Choice, and Opportunity cost

B. Production Possibilities Curve

C. Comparative advantage, Absolute advantage, Specialization and Exchange

D. Demand, Supply, Market Equilibrium

E. Macroeconomic issues, Business cycle, Unemployment, Inflation and Growth

II. Measurement of Economic Activity 12-17%

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

III. National Income and Price Determination 17-27% A. Aggregate Demand

1. Determinants of aggregate demand

2. Multiplier and crowding-out effects

B. Aggregate Supply

1. Short-run and long run analysis

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

IV. Financial Sector 18-23%

A. Money, Banking, and Financial Markets

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

2. Time value of money

3. Measure of money supply

4. Banks 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

V. Long-Run Consequences 20-30%

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

C. Economic Growth and Productivity 1. Investment in human capital

2. Investment in physical capital

3. Research and development and technological progress

4. Growth policy

VII. Open Economy: International Trade and Finance 10-13%

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

**Note:** The percentages approximate the weight on the AP exam. These change from year to year. I reserve the right to make adjustments in course content and/or grading procedures as needed.