

**Week 1: Principles of Macroeconomics and Trade**

Day	Time	Topic	Related Activities
<b>Day 1</b>	Morning  Afternoon  Evening	*Introductions, Honor Code, Class Rules/Expectations *Pre-assessment *Introduction/Overview of Macroeconomics (Chapter 1, 6) *Math Review (If needed - Chapter 2 Appendix) *Practice problems selected from pg 20-22, 59-69 *Difficult Choices Activity – pg 8 Instructor’s Resource Manual (IRM) *Causal Relationships – pg 23 IRM	*Get to know you game (What’s your opportunity cost?) *Pre-assessment *Lecture: What is Macroeconomics?, Key Principles *Quiz Wars (math review problems)
<b>Day 2</b>	Morning  Afternoon  Evening	*Supply & Demand *Complements & Substitutes * Shifts in supply and demand *Price Ceilings/Price Floors (Quotas, Licenses) (Chapters 3, 4) *Practice problems selected from pg 90-92, 113-116 *Global Comparison (GC): Pay More, Pump Less *Drawing a Demand Curve – pg 38 IRM *A Ticket Shortage – pg 41 IRM	*Lecture (to quickly review the previous days material) *Giant Living Supply & Demand Activity *Would you switch? Would you eat PB with no J? Activity *Supply & Demand Bingo *Buying & Selling Turquoise Simulation – pg 39 IRM *Discuss Sugar Quota Problem – Pg 39 IRM
<b>Day 3</b>	Morning	Economic Models *Trade-offs *Circular-flow (Chapter 2)	*Lecture *What would you give up? Activity *Class Domestic Circular-flow Simulation – pg 21 IRM

	<p>Afternoon</p> <p>Evening</p>	<p>Trade:</p> <ul style="list-style-type: none"> <li>*Comparative advantage</li> <li>*Production possibility frontier (Chapter 2)</li> <li>*Practice problems selected from pg 42-44</li> <li>*GC – Pajama Republics</li> <li>*Economics in Action (EIA) – Rich Nation, Poor Nation – pg 19 IRM</li> </ul>	<ul style="list-style-type: none"> <li>*Cast Away Quandary</li> <li>*Comparative Advantage (CA) Simulation Phase 1 (aka: Paper Clip v. Stapler Competition) – pg 20 IRM</li> </ul>
<b>Day 4</b>	<p>Morning</p> <p>Afternoon</p> <p>Evening</p>	<p>International Trade</p> <ul style="list-style-type: none"> <li>*Comparative v. absolute advantage</li> <li>*Sources of CA</li> <li>*S&amp;D autarky v. trade (Chapter 5)</li> </ul> <p>International Trade</p> <ul style="list-style-type: none"> <li>*World price</li> <li>*Tariffs</li> <li>*Quotas (Chapter 5)</li> </ul> <p>Evening</p> <ul style="list-style-type: none"> <li>*Practice problems selected from pg 143-146</li> <li>*For Inquiring Minds (FIM) – Increasing Returns and International Trade</li> <li>*FIM – Chinese Pants Explosion</li> </ul>	<ul style="list-style-type: none"> <li>*Lecture</li> <li>*CA Simulation Revisited: Phase 2: Autarky v. Trade (shows there are gains from trade)</li> <li>* Introduce two-panel diagram analysis</li> <li>*CA Simulation Revisited: Phase 3: Import Quotas</li> <li>*Pick a Trade Dispute – pg 66 IRM</li> <li>* Two-panel analysis of tariffs/quotas</li> </ul>
<b>Day 5</b>	<p>Morning</p>	<p>Tracking the Macroeconomy</p> <ul style="list-style-type: none"> <li>*Expanded circular-flow with Foreign Markets</li> <li>*GDP calculations (including net exports) real and nominal</li> </ul>	<ul style="list-style-type: none"> <li>*Lecture</li> <li>*Class circular-flow revisited: Open-economy</li> <li>*GDP calculation practice</li> </ul>

		<p>*(cover CPI, PPI, GDP Deflator, and inflation rate calculations if students are unfamiliar) (Chapter 7)</p>	<p>*What's In, What's Out – pg 85 IRM</p> <p>*Who made a higher starting salary? Activity</p> <p>*If review CPI watch Christmas Price Index and have students create their own price index</p>
	Afternoon	<p>*Continue inflation lesson from Morning</p> <p>*Inflation &amp; Interest Rates: shoe-leather costs, menu costs, nominal and real interest rates</p> <p>*Unemployment: types, causes, natural rate (Chapter 8)</p>	<p>*How often should a business owner go to the bank?</p> <p>*How often should a restaurant owner change their menu prices?</p> <p>*Who counts when the BLS counts # of unemployed?</p> <p>*Name that Unemployment – pg 95 IRM</p> <p>*GC – Unemployment Around the OECD</p>

**Week 2: Economic Growth and the Financial System**

Day	Time	Topic	Related Activities
<b>Day 6</b>	Morning	Long-Run Economic Growth *Productivity *Real GDP/capita *Growth rates *Rule of 70 (or 72) (Chapter 9)	*Lecture *EIA Group Case Studies – pg 107-108 IRM  *Long*run Economic Growth and Natural Resources – pg 109 IRM *Some Economic Advise, Please – pg 110 IRM  Have students get into their groups to pick their country and begin planning for their project. Groups of 3 or 4 each pick a country and collect and track important macro data on that economy. Students will present data and make a L-R economic growth prediction based on indicators and factors of L-R growth.
	Afternoon	*Factors of L-R growth *Aggregate production function *Economic growth and sustainability (Chapter 9)	
	Evening	*Practice problems selected from pg 254-256 * Introduction of Country Analysis Project	
<b>Day 7</b>	Morning	Savings, Investment Spending, and the Financial System *Loanable funds market S&D	*Lecture  *Match the Saver with the Investor Banking Simulation (shows that financial intermediaries are necessary) *EIA – Banks & the South Korean Miracle – pg 121 IRM
	Afternoon	Income & Expenditure *Marginal propensity to consume/save  *The multiplier – infinite series *Individual consumption function (Chapter 11)	

	Evening	<ul style="list-style-type: none"> <li>*Practice problems selected from pg 284-286</li> <li>*Multiplier practice problems from pg 311-314</li> <li>*GC – America’s Low Savings</li> <li>*EIA – The Multiplier and the Great Depression – pg 133 IRM</li> <li>*Group Country Analysis Project: basic key indicators for the country (current and past GDP, unemployment rate, inflation rate, exchange rate, consumption/savings rate)</li> </ul>	
<b>Day 8</b>	Morning	<ul style="list-style-type: none"> <li>*Aggregate consumption function</li> <li>*Inventories</li> <li>*Investment spending (planned &amp; unplanned) (Chapter 11 &amp; Appendix)</li> </ul>	<ul style="list-style-type: none"> <li>*Lecture</li> <li>*Inventories &amp; the End of the Recession – pg 133 IRM</li> </ul>
	Afternoon	<ul style="list-style-type: none"> <li>*Planned aggregate spending (Keynesian cross)</li> <li>*Shifts of PAE with changes to consumption and investment (Chapter 11)</li> </ul>	<ul style="list-style-type: none"> <li>*Working with the Aggregate Consumption Function – pg 134 IRM</li> </ul>
	Evening	<ul style="list-style-type: none"> <li>*Practice problems selected from pg 311-314</li> <li>*EIA * Interest Rates and the U.S. Housing Boom – pg 133 IRM</li> <li>*Group Country Analysis Project: infrastructure and technology</li> </ul>	
<b>Day 9</b>	Morning	<ul style="list-style-type: none"> <li>Aggregate Demand &amp; Aggregate Supply</li> <li>*The curves (AD, SRAS, LRAS)</li> <li>*Wealth and interest rate effects (Chapter 12)</li> </ul>	<ul style="list-style-type: none"> <li>*Lecture</li> <li>*Class AD Simulation (students each represent a Short-Run Planned Aggregate Expenditure equilibrium point and are challenged to “aggregate” and build the AD curve)</li> </ul>

	<p>Afternoon</p> <p>Evening</p>	<p>*AD/AS model continued</p> <p>*Shifts and shifters (shocks)</p> <p>*Stabilization policy introduction (Chapter 12)</p> <p>*Practice problems selected from pg 347-349</p> <p>*AD/SRAS/LRAS Bingo (with student callers)</p> <p>*Group Country Analysis Project: government/economy structure and stability</p>	<p>*AD/SRAS/LRAS Bingo</p> <p>*EIA – Supply Shocks vs. Demand Shocks in Practice – pg 150 IRM</p> <p>*EIA – Is Stabilization Policy Stabilizing? – pg 150 IRM</p>
<b>Day 10</b>	<p>Morning</p> <p>Afternoon</p>	<p>Fiscal Policy</p> <p>*Expansionary/contractionary fiscal policy</p> <p>*Tax multiplier</p> <p>*Taxes vs. transfers vs. government spending (Chapter 13 &amp; Appendix)</p> <p>*Balancing the Federal budget</p> <p>*Government debt and interest payments</p> <p>*Implicit Liabilities (Chapter 13)</p>	<p>*Lecture</p> <p>*What's the best fiscal policy? Discussion/Debate</p> <p>*EIA – Expansionary Fiscal Policy in Action in Japan – pg 162 IRM</p> <p>*EIA – About that Stimulus Package – pg 162 IRM</p> <p>*To Balance or Not to Balance? Activity – pg 166 IRM</p>

**Week 3 : Monetary Policy, Open-economy and Current Issues in Macroeconomics**

Day	Time	Topic	Related Activities
<b>Day 11</b>	Morning	Money, Banking, and the Federal Reserve *Money and its roles *Banks and T-accounts *Reserve Ratio *Determining the money supply *The money multiplier (Chapter 14)	*Lecture *GC – The Big Moneys *“Bad Bank” Activity/T-Account Practice (This American Life) *Be a Bank’s Accountant – pg 178 IRM  *Fed 101 *You are on the Fed Open*market Committee Activity
	Afternoon	*Central banks – The Fed *Open*market operations *The financial crisis of 2008 (Chapter 14)	
	Evening	*Practice problems selected from pg 376-378, 411-413 *Group Country Analysis Project: government budget trends (deficit/surplus); currency; central bank and banking system	
<b>Day 12</b>	Morning	Monetary Policy *Demand for money curve  *Shifts & shifters *Money supply curve *Shifts (Chapter 15)	*Lecture *You are on the Fed Open-market Committee Activity Revisited with Graphs – pg 189 IRM  *EIA – A Yen for Cash – pg 188 IRM *EIA – The Fed Reserves Course – pg 188 IRM
Afternoon	*Interest rates *Expansionary/contractionary monetary policy *Money S&D/PAE/AD/AS chain reaction *Inflation/interest rate targets (Chapter 15)		

	Evening	<ul style="list-style-type: none"> <li>*Practice problems selected from pg 436-438</li> <li>*EIA – International Evidence of Monetary Neutrality – pg 188 IRM</li> <li>*Group Country Analysis Project: economic policy preference/past policy emphasis; interest and inflation rates</li> </ul>	
<b>Day 13</b>	Morning	<ul style="list-style-type: none"> <li>Open*Economy Macroeconomics</li> <li>*Capital flows and balance of payments</li> </ul>	<ul style="list-style-type: none"> <li>*Lecture</li> <li>* Group Country Analysis Project: approach to trade (open/closed economy); balance of payments</li> <li>*To Fix or To Float? Activity</li> <li>*EIA – Low*Cost America – pg 218 IRM</li> <li>*EIA – China Pegs the Yuan – pg 218 IRM</li> </ul>
	Afternoon	<ul style="list-style-type: none"> <li>*Loanable funds in 2 countries (Chapter 18)</li> <li>*Exchange rates – app/depreciation</li> <li>*The foreign exchange market S&amp;D</li> <li>*Purchasing power of parity (Chapter 18)</li> </ul>	
	Evening	<ul style="list-style-type: none"> <li>*Practice problems selected from pg 522-524</li> <li>*Group Country Analysis Project: interest and exchange rates; purchasing power of parity; predictions for future L*R growth</li> </ul>	
<b>Day 14</b>	Morning	<ul style="list-style-type: none"> <li>*Synopsis and review</li> </ul>	<ul style="list-style-type: none"> <li>*Lecture</li> <li>*Finish up Group Country Analysis Project</li> <li>*Group Presentations</li> </ul>
	Afternoon	<ul style="list-style-type: none"> <li>*Group Country Analysis Presentations</li> <li>*Post*assessment</li> </ul>	
<b>Day 15</b>	Morning	<ul style="list-style-type: none"> <li>*Final Presentations</li> <li>*Final thoughts</li> <li>*Certificates &amp; goodbyes</li> </ul>	