



Essential Questions:

1. What are the goals of macroeconomic policy?
2. How is economic performance measured?
3. What are the limitations and flaws of current measures of economic performance?

Learning Objectives:

1. Define, explain, and calculate GDP.
2. Distinguish nominal GDP from real GDP.
3. Given nominal GDP and a price index, calculate real GDP and vice versa.
4. Identify, define, and explain the components of GDP.
5. Analyze the value of GDP as a measure of well being.
6. Identify and describe contributions to the economy not included in GDP.
7. Explain the circular flow model and how it is used to model a nation’s economy.
8. Identify, define, and explain the components of the circular flow model.
9. Identify, define, and provide examples of the different types of unemployment.
10. Explain the causes of the different types of unemployment.
11. Define the natural rate of unemployment and explain the factors that determine what it is.
12. Calculate the unemployment rate.
13. Calculate the labor participation rate.
14. Explain the difference between the unemployment rate and labor force participation rate.
15. Analyze the value of the unemployment rate as a measure of well being.
16. Define price index and explain how it is calculated.
17. Define inflation and explain how it is measured.
18. Calculate inflation.
19. Analyze the value of the rate of inflation as a measure of well being.
20. Analyze the economic costs of inflation—evaluate who benefits and who loses when there is inflation.

Key Terms:

1. aggregate output	16. firms	31. net exports
2. aggregate price level	17. frictional unemployment	32. nominal GDP
3. aggregate spending	18. GDP price deflator index	33. nominal interest rate
4. circular flow model	19. government spending	34. personal income
5. consumer price index (CPI)	20. government transfers	35. private savings
6. consumption	21. households	36. producer price index (PPI)
7. cyclical unemployment	22. inflation rate / inflation	37. product market
8. deflation	23. intermediate good/product	38. real GDP
9. discouraged workers	24. investment spending	39. real income
10. disinflation	25. labor force participation rate	40. real interest rate
11. disposable income	26. marginally attached workers	41. shoe-leather costs
12. efficiency wage	27. market basket	42. structural unemployment
13. factor market	28. menu costs	43. underemployed
14. final good/product	29. national income	44. unemployment rate
15. financial market	30. natural rate of unemployment	45. value added

Calendar:

DAY		TOPIC	HW DUE /SCHEDULED TEST
17-Nov	Monday	1 st Quarter Exam Review	NONE
18-Nov	Tuesday	GDP and Circular Flow	Read Module 10 and Answer Review Questions
19-Nov	Wednesday	GDP and Circular Flow	<ul style="list-style-type: none"> • Read “Birth of Macroeconomics,” • Read “Redefining the meaning of #1” • Read “China’s Green Economist” • Read “Gross National Happiness” • 2 journal entries
20-Nov	Thursday	GDP and Circular Flow	<ul style="list-style-type: none"> • Morton’s Macro Activity 10 • GDP Practice Problems (Weebly)
21-Nov	Friday	GDP and Circular Flow	Read Module 11 and Answer Review Questions
24-Nov	Monday	Unemployment	Read Module 12 and Answer Review Questions
25-Nov	Tuesday	Unemployment	<ul style="list-style-type: none"> • Read “Unemployment ticks down . . .” • Read “. . . Structural Unemployment” • Read “Three reasons . . .” • Read “The incredible shrinking labor force” • 2 journal entries
26-Nov	Wednesday	NO CLASS	<ul style="list-style-type: none"> • Read Module 13 and Answer Review Questions • Unemployment Rate Problem Set
27-Nov	Thursday	THANKSGIVING	NO CLASS
28-Nov	Friday	Inflation	<ul style="list-style-type: none"> • Read Module 14 and Answer Review Questions • Read “In Praise of Inflation”
1-Dec	Monday	Inflation	<ul style="list-style-type: none"> • Read Module 15 and Answer Review Questions • Inflation Rate Problem Set
2-Dec	Tuesday	Inflation	<ul style="list-style-type: none"> • Read Module 15 and Answer Review Questions • Unit Review Problem Set
3-Dec	Wednesday	UNIT 4 TEST	UNIT 4 TEST
4-Dec	Thursday	Unit 4 Test Review / PPT Work Day	NONE
5-Dec	Friday	PPT Presentations	Economic Indicators PPT
8-Dec	Monday	PPT Presentations	Economic Indicators PPT

