



AP

MACROECONOMICS

TEACHER GUIDE | 5TH EDITION

RUTH COOKSON
MATTHEW GHERMAN
BARBARA BLAKE GONZALEZ
ALEX LAMON
CATHY LATHAM
THEODORE OPDERBECK
STACY QUIROZ-BROWN

Council for Economic Education

AUTHORS

AUTHORS, FIFTH EDITION

Matthew Gherman

Teacher, Edward R. Murrow High School, New York City, NY

Alex Lamon

Lead Teacher, Business Education, Livingston High School, Livingston, NJ

Cathy Latham

Retired Educator

Theodore Opderbeck

Social Studies Teacher, Waldwick High School, Waldwick, NJ

Stacy Quiroz-Brown

Economic Education Teacher Advisor, Arizona Council on Economic Education

AUTHORS, FOURTH EDITION

Gary L. Stone

Margaret A. Ray

PROJECT DIRECTOR/AUTHOR

Ruth Cookson

*Senior Manager, Educational Content
Council for Economic Education*

EDITOR/AUTHOR

Barbara Blake Gonzalez

*Chief Administrative Officer, The Dragas Center for Economic Analysis and Policy,
Department of Economics, Strome College of Business, Old Dominion University*

DIGITAL CONSULTANT/PROJECT MANAGER

Veronica Tomaiuolo

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Author

Margaret A. Ray

Contributing Author

Gary L. Stone

Content Consultant

Dennis Placone

Project Director

Kevin Gotchet

Contributors

Eric Dodge

Michael Fullington

David Mayer

Dick Rankin

Matt Romano

Rob Zywicki

Reviewers

Steve Cobb

Tawni Ferrarini

Dennis Placone

Dick Rankin

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INTRODUCTION

AP Macroeconomics is designed to help you teach Advanced Placement (AP) Macroeconomics courses and prepare your students for the AP Macroeconomics Exam. The AP program offers two separate examinations in economics: one in macroeconomics and one in microeconomics. Each AP exam is intended for qualified students who wish to complete studies in secondary school that are equivalent to a one-semester college introductory course. The AP Macroeconomics Exam is 2 hours and 10 minutes long and consists of a 70-minute multiple choice section and a 60-minute free-response section. The free-response section begins with a mandatory 10-minute reading period. The multiple-choice section accounts for approximately two-thirds of the student's exam grade and the free-response section for the remaining one-third.

Using Advanced Placement Macroeconomics

AP Macroeconomics consists of the Student Workbook and the Teacher Guide. Each unit in the Student Workbook begins with a key ideas section. The student activities teach basic economic principles and allow students to practice applying economic concepts. It is best for each student to have his or her own Student Workbook.

The Teacher Guide provides unit overviews, lesson plans, objectives, Teacher Alerts, Bell Ringer activities to jump-start each class, visuals, answers to the student activities, and multiple-choice test questions. The procedures in the lessons include instructional activities that are not in the Student Workbook. The Teacher Guide is designed to provide activities and lessons that, coupled with the AP Course and Exam Description, a teacher can use to design an AP Macroeconomics course that best meets the needs of their students.

AP Macroeconomics is designed to be used with an AP-level economics textbook. The textbook provides the basic content, and the lessons and activities in AP Macroeconomics provide practice, application of the content, and review for the AP Macroeconomics Exam.

In addition to AP Macroeconomics and an AP-level textbook, a variety of different resources for teaching AP Macroeconomics are available online, including lesson plans, in-class activities, classroom experiments, videos, and supplemental readings. The Council for Economic Education provides a number of additional resources on <https://www.econedlink.org/> as well as print publications through the EconEdLink store. You can also find a searchable database of resources for teaching AP Macroeconomics on the College Board website, <https://apcentral.collegeboard.org/>

The New and Improved Advanced Placement Macroeconomics

The 5th edition of *AP Macroeconomics* has been significantly updated. Every lesson held over from the 4th edition has been revised and new lessons have been added. The content has been updated to reflect the 2022 AP Macroeconomics Course and Exam Description and all activities have been adapted to reflect the understanding of economic principles that students are expected to demonstrate on the AP Macroeconomics Exam. We believe it is the most complete and comprehensive supplementary package available for teaching AP Macroeconomics.

The major changes in the fifth edition are outlined below:

- Activities are now included after each lesson, instead of being added to the back of the curriculum.
- Content is reorganized using the 2022 AP Course and Exam Description including a substantial revision of monetary policy to include teaching about ample reserves.
- Lessons have been broken down into shorter, easily managed sections that include more visuals.
- Bell Ringers have been updated to provide thought-provoking student-friendly openings for each lesson.
- Multiple Choice Questions have been removed from the Student Workbook so teachers can use them for quizzes and tests without student prior knowledge.

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- New lessons have been added in response to CED content
 - Supplemental activities for Graphing Supply and Demand
 - Financial Assets
 - Nominal vs. Real Interest Rates
 - Monetary Policy

Top 10 Keys to Teaching an Effective AP Macroeconomics Course

Designing and teaching an AP Macroeconomics course is challenging. The course requires teaching college-level material to high school students. Here are a few tips from veteran teachers that will help you be successful.

1. The Course Exam Description and AP Classroom are Your Best Friends

The CED framework provides a clear and detailed description of the course requirements necessary for student success. It details the four skill categories - defining principles and models, interpreting economic outcomes, manipulation of data to determine the outcome of specific situations, being able to model economic situations using graphs and visuals - and the four big ideas – economic measurement, markets, macroeconomic models, and macroeconomics policies - that should be the basis of your curriculum.

The AP Classroom online platform provides a variety of resources and tools to support teachers and students. These include unit guides, personal progress checks and a progress dashboard that provides feedback to teachers and students on areas that need more focus, and an AP question bank where teachers can create customized tests that can be assigned online or on paper.

2. Get Teacher Training

The College Board offers several one-day workshops that provide background for AP Macroeconomics courses. These workshops focus on the content covered and an analysis of past multiple-choice and free-response questions. The workshop leader, who is often an AP reader, will provide valuable information to improve student performance. It also helps to attend longer summer workshops that focus on the content in AP Macroeconomics in more detail. These workshops cover the content more comprehensively and demonstrate activities.

CEE offers online professional development through EconEdLink.org. State Councils on Economic Education also offer workshops for AP Economics teachers. Some of these affiliates of the Council for Economic Education can also provide advice to individual teachers. To locate the state council or university center nearest you, log on to the CEE website at <https://www.councilforeconed.org/programs/for-teachers/state-affiliates/>

3. Use the Best Textbook You Can Get

If you are involved in choosing the textbook for your course, look for a book that matches the AP course content. Especially consider the reading level and readability of the book. If you have the option, also look for a textbook that is compatible with your teaching style. Whichever textbook you use, be sure to ask about ancillary materials such as student activities, teacher's manual, study guide, or test bank. There are reviews of textbooks and other instructional materials on the College Board website.

4. Organize the Course in Advance

The unit plans and lesson plans in this book are based on seventy-five 45-minute class periods each semester. However, every school schedule is different and disruptions always interfere with even the best of plans. So, you will need to adapt the plans provided here to meet the needs of your students and the requirements of your school. Make sure you are aware of the exam date and be careful to complete the entire syllabus despite both expected and unexpected disruptions. Also, be sure to allow for plenty of exam review time.

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5. Assess Often

Students need lots of practice and frequent assessments to make sure they have mastered the material. Brief but frequent multiple-choice quizzes help students get used to the exam format. Unit tests should have AP-style multiple-choice and free-response questions. Use released AP exam questions, and grade (and have students grade) answers using the rubrics provided by the College Board. Students benefit from learning to answer free-response questions. What is required for students to learn economics and succeed on the AP Macroeconomics Exam is very different from what is required in other social science disciplines. Familiarity with past AP questions is a key to student success. A list of past AP questions has been broken down by topic in the overview section of each Unit.

6. Teach an Economic Way of Thinking

Content is very important in AP Economics, but a quality course goes beyond teaching a list of concepts. Economics is a unique way of thinking that helps students develop decision-making skills. The goal of an introductory economics course is to help students develop the economic way of thinking. Even if students don't remember a specific concept covered on the exam, they will be able to use the techniques of thinking they have learned to draw correct conclusions. A good resource of ready-to-use lessons that reinforce the economic way of thinking is *Capstone: Exemplary Lessons for High School Economics* (New York: Council for Economic Education, 2003).

7. Use Active Learning

An AP Macroeconomics class will not be effective if the focus is on memorizing definitions, information, and rules. While the lecture-discussion method will be required for initial presentation of course content, economics will be more relevant and stimulating if students are actively involved in the lessons. They will also learn the content at the required, deeper level.

The Council for Economic Education and the companion website on EconEdLink.org are excellent sources for active-learning activities that can help your students understand concepts critical to their performing well on an AP Economics exam.

8. Practice Makes Perfect

The AP Macroeconomics Student Workbook provides students with the practice they will need to be successful on the AP Macroeconomics Exam. The goal is not to cover every possible situation but to develop economic reasoning so that students can apply what they have learned to any example they may be given.

9. Graph Early and Often

The students must be able to perform graphical analysis to do well on the AP Macroeconomics Exam. Important graphs in Macroeconomics include production possibilities, aggregate demand and aggregate supply, the money market, the loanable funds market, the Phillips curve, and the foreign exchange market.

It is essential for students to understand that they are applying an economic model, not memorizing graphs. Students need to know that graphs must be clearly and correctly labeled to receive credit on AP Economics exams. When you provide feedback on students' graphs, always point out labeling errors and omissions.

10. Emphasize Historically Weak Areas

Each year the AP Macroeconomics chief reader identifies areas in which students have done poorly. Because these areas will be covered again in future tests, it pays to review the chief reader's notes. These are available on the College Board's AP Central website for the Macroeconomics course. Use these notes to design your course and prepare your students for their AP Macroeconomics Exam.