Unit 2: Macro-economics: Measuring the Economic Performance

Content Area: **Social Studies**
Course(s): **American Economics**
Time Period: **October**
Length: **6 weeks**
Status: **Published**

Transfer Skills

Macroeconomics is the study of the economy as a whole and is used to analyze and predict economic performance and create solutions to economic problems.

Enduring Understandings

Macroeconomics is the study of the economy as a whole and is used to analyze and predict economic performance and create solutions to economic problems.

Economic cycles have an impact on American society and governmental policies.

The government uses key economic indicators to measure economic performance and make fiscal decisions regarding interest rates and policies.

Americans use key economic indicators to make personal financial and business decisions.

Essential Questions

To what extent should the government involve itself in the American economy?

To what extent is economics the primary driver of political and social change?

How do inflation and unemployment affect the average American citizen?

Content

Keynesian model, Equilibrium, Economic cycle, Unemployment, inflation, Consumer Price Index

Skills

Deconstruct a circular flow diagram.

Identify and calculate Gross Domestic Product (GDP).

Calculate the rate of inflation using the Consumer Price Index (CPI) and assess the impact of inflation on economic decision making.

Predict which segments of the population will benefit from inflation.

Identify the phases of the business cycle.

Interpret the Keynesian aggregate expenditure model and calculate the equilibrium aggregate supply and demand.

Predict the results of governmental fiscal policy on the economy.

Resources

Standards

SOC.6.1.12.C.2.a	Assess the effectiveness of the new state and national governments attempts to respond to economic challenges including domestic (e.g., inflation, debt) and foreign trade policy

	issues.
SOC.6.1.12.C.6.c	Analyze the impact of money, investment, credit, savings, debt, and financial institutions on the development of the nation and the lives of individuals.
SOC.6.1.12.C.9.a	Explain how government can adjust taxes, interest rates, and spending and use other policies to restore the country's economic health.
SOC.6.1.12.C.9.b	Explain how economic indicators (i.e., gross domestic product, the consumer index, the national debt, and the trade deficit) are used to evaluate the health of the economy.
SOC.6.1.12.C.9.c	Explain the interdependence of various parts of a market economy (i.e., private enterprise, government programs, and the Federal Reserve System).