

Unit 4: Long-Run Consequences of Stabilization Policies

Content Area:

Course(s):

Time Period: **Year**

Length: **180**

Status: **Published**

Summary

Unit 4 is a culmination and an extension of material that has been introduced previously. For example, in Units 2 and 3, students learned that public policy can affect the economy's output, price level, and level of employment in the short run; in this unit, students will build on this understanding to examine the long-run implications of policy actions and the concept of economic growth. Similarly, in Unit 1 students were introduced to inflation and unemployment as economic indicators, and in Unit 3 they learned about the relationship between inflation and unemployment; in this unit, students explore how the Phillips curve model is used to represent this relationship in the short run and long run. Adopted from AP Macroeconomics Course and Exam Description, effective Fall 2022

Standards

Priority Content Standards

H/SS.MACE.V	Stabilization Policies
H/SS.MACE.V.A	Fiscal and monetary policies
H/SS.MACE.V.A.3	Policy mix
H/SS.MACE.IV	Financial Sector
H/SS.MACE.IV.C	Central bank and control of the money supply

Supplemental Content Standards

H/SS.MACE.V	Stabilization Policies
H/SS.MACE.V.A	Fiscal and monetary policies
H/SS.MACE.V.A.3	Policy mix
H/SS.MACE.VI	Economic Growth
H/SS.MACE.VI.C	Growth policy

Interdisciplinary Connections (Standards)

Please select relevant "Standards for Mathematical Practice (2023)", science and engineering practice standards "Grades 9-12/6-8 (2023)", ELA anchor statements, Social Studies practice standards. (3-6 total are suggested)

- Planning and Carrying Out Investigations
- Obtaining, Evaluating, and Communicating Information
- Using Mathematics and Computational Thinking
- Developing and Using Models
- Constructing Explanations and Designing Solutions
- Analyzing and Interpreting Data
- Engaging in Argument from Evidence
- Asking Questions and Defining Problems

Career Readiness, Life Literacies, and Key Skills PRACTICES

These practices should be taught and reinforced in all content areas with increasingly higher levels of complexity and expectation as a student advances through a program of study.

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|--------------|--|
| WRK.K-12.P.1 | Act as a responsible and contributing community members and employee. |
| WRK.K-12.P.2 | Attend to financial well-being. |
| WRK.K-12.P.3 | Consider the environmental, social and economic impacts of decisions. |
| WRK.K-12.P.4 | Demonstrate creativity and innovation. |
| WRK.K-12.P.5 | Utilize critical thinking to make sense of problems and persevere in solving them. |
| WRK.K-12.P.6 | Model integrity, ethical leadership and effective management. |
| WRK.K-12.P.7 | Plan education and career paths aligned to personal goals. |
| WRK.K-12.P.8 | Use technology to enhance productivity increase collaboration and communicate effectively. |
| WRK.K-12.P.9 | Work productively in teams while using cultural/global competence. |

Climate Change Standards

Select the Performance Expectations.

[ClimateChange Education](#)

Stage I: Desired Results

STAGE I Desired Results

Learning Objective

Students will be able to independently use their learning to...

Mastery

Enduring Understanding

Students will understand that...

- A combination of fiscal and monetary policies can influence aggregate demand, real output, the price level, and interest rates.
- The short-run trade-off between inflation and unemployment can be illustrated by the downward-sloping short-run Phillips curve (SRPC).
- Output per employed worker is a measure of average labor productivity.
- Productivity is determined by the level of technology and physical and human capital per worker.
- Public policies that impact productivity and labor force participation affect real GDP per capita and economic growth.
- Government policies that invest in infrastructure and technology affect growth.

Essential Questions/ Big Ideas

- How does an economy grow?
- What is the relationship between inflation and unemployment?
- How do monetary and fiscal policies affect the economy in the long run?

Acquisition

Essential Knowledge...

- Explain the effects of combined fiscal and monetary policy actions.
- Define the short-run Phillips curve and the long-run Phillips curve.
- Define the quantity theory of money.
- Define the government budget surplus (deficit) and national debt.
- Define measures and determinants of economic growth.

Suggested skills . . .

- Using economic concepts, principles, or models, explain how a specific economic outcome occurs when there are multiple contributing variables or what multiple actions should be taken in order to achieve a specific economic outcome.
- Determining the outcome of an economic situation using economic concepts, principles, or models.
- Determine the effect(s) of one or more changes on other economic markets.

Stage II: Assessment Evidence

STAGE II Assessment Evidence

Practices

Assessments

AP Progress Check Phillips curve practice	National Debt Proposals Unit 4 test
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Modifications

Additional time on assessments

Guided notes

Audio/video examples

Study guides

Acceleration

Additional graphing practice

Supplemental readings

Additional free response question practice

Stage III: Learning Plan

Unit 4: 2 weeks

- Lesson 1.1: Fiscal and Monetary Policy in the short-run/Phillips Curve
- Lesson 1.2: Money Growth and Inflation/ National Debt and Deficit/Crowding Out
- Lesson 1.3: Economic Growth and Public Policy
- Lesson 2.1: National Debt Proposal
- Lesson 2.2: Unit 4 Test

Modifications

Additional time on assessments

Guided notes

Audio/visual examples

Study guides

Acceleration

Additional graphing practice

Supplemental readings

Additional free response questions practice

Diversity, Equity, & Inclusion

[Diversity, Equity & Inclusion](#)

This unit explores how citizens of varying identities and backgrounds are impacted by fiscal and public policy.

Specific Resources for Unit

[jacob clifford youtube channel](#) & [website](#)

[Jason Welker youtube channel](#) (has useful videos aligned to the course and a ton of videos about graphs)

[Review Econ \(Jacob Reed\) youtube channel](#)

[Heimler History AP Macro](#)

[MRU online course](#)* (has not only review videos but teacher resources, review games, etc to use)

[Federal Reserve Education](#) (can filter the site based on unit/topic and it will provide lesson plans that you can download as a PDF or link to google classroom)

[AP practice exams.com](#) (useful platform with practice questions, links to helpful videos/youtube channels)

[The Economist youtube channel](#) (various videos pertaining to economics)

[Economics Explained](#) (various videos pertaining to economics)

[Think Econ](#) (great resource with many videos pertaining to the course)

[One minute economics](#) (short videos about different economic topics)

[UMASS Amherst economics](#) (videos from professors)

[Department of Economics Oxford U](#)

[Crash course economics](#) (same as the John Green network making these crash course videos)

[AP Macro Khan Academy](#)

Links to helpful websites

[PBS learning](#)

[curious economist](#)

[science journal for kids](#)

Technology Integration

Northern supports the integration of the [SAMR Model](#): a framework which extends learning through the use of technology. The installation of interactive boards, the purchase of softwares and subscriptions, and the investment in 1:1 laptops and various other instructional technologies are examples of Northern's commitment to enhancing students' learning and preparing the 21st century learner for college and careers.