



**MODULE 1: UNDERSTANDING ECONOMIC DATA AND INDICATORS**

**LEARNING OBJECTIVES:**

- Identify economic trends and indicators.
- Recognize sources of economic data/variables to be analyzed.

**TOPICS COVERED:**

- Economic Indicators and Stocks and Businesses
- Economic Indicators and Bond Yields
- Economic Indicator: Index of Leading Indicators
  - Coincident Indicators
  - Lagging Indicators
  - Economic Indicators: Consumers Confidence Indices
  - Industry Indices
  - The NAHB-Wells Fargo Housing Opportunity Index (HOI)
  - S&P CoreLogic Case-Shiller Home Price Indices

**MODULE 2: THE SCOPE OF ECONOMICS**

**LEARNING OBJECTIVES:**

- Distinguish between the private and public sectors of the economy
- Recognize elements of economic systems.
- Identify the goals of economic policies.

**TOPICS COVERED:**

- Individual Keys in This Module
  - The Objectives of Economics
  - Microeconomics vs. Macroeconomics
  - The Private and Public Sectors
  - Economic Systems
  - Economic Theories and Models
  - Economic Policy

**MODULE 3: BASIC CONCEPTS IN ECONOMICS**

**LEARNING OBJECTIVES:**

- Recognize the relationship between economic decisions and marginal measures.
- Identify different economic concepts and decisions.

**TOPICS COVERED:**

- Individual Keys in This Module
  - Using Functions, Graphs and Equations
  - Marginal Measures
  - The Production Possibility Frontier
  - Supply and Demand
  - Market Equilibrium
  - Relationships Among Macroeconomic Variables
  - Aggregate Demand and Supply

**MODULE 4: FUNDAMENTAL MACROECONOMIC CONCEPTS****LEARNING OBJECTIVES:**

- Identify economic issues of unemployment and inflation.
- Recognize the factors of unemployment and the business cycle.

**TOPICS COVERED:**

- Individual Keys in This Module
  - Money
  - Prices and Resource Allocation
  - Firms, Households and Government
  - The Circular Flow
  - Business Cycle
  - Unemployment
  - Inflation and Deflation
  - Unemployment and Full Employment

**MODULE 5: MEASURING ECONOMIC ACTIVITY****LEARNING OBJECTIVES:**

- Recognize key elements in the money supply.
- Identify different measures of GDP.

**TOPICS COVERED:**

- Individual Keys in This Module
  - Gross Domestic Product
  - Other National Income Measures
  - Simple Index Numbers
  - Bundled (Weighted) Index Numbers
  - Measures of Inflation - Price Indexes
  - Index Number Problems
  - Real and Nominal Measures

- Measures of Money Supply
- Measuring Unemployment

## **MODULE 6: EQUILIBRIUM OUTPUT AND INCOME**

### **LEARNING OBJECTIVES:**

- Recognize equilibrium outputs and income and natural interest rates.
- Identify the components of investment
- Recognize and calculate the marginal propensity to save.

### **TOPICS COVERED:**

- Individual Keys in This Module
  - The 45-Degree Line Graph
  - Consumption and Marginal Propensity to Consume
  - Saving and Marginal Propensity to Save
  - Investment
  - Determination of Equilibrium Output and Income - A Two Sector Model
  - The Multiplier
  - Saving and Investment
  - Net Exports

## **MODULE 7: FISCAL POLICY**

### **LEARNING OBJECTIVES:**

- Recognize the elements of fiscal policy and the components of aggregate demand.

### **TOPICS COVERED:**

- Individual Keys in This Module
  - Taxation and the Consumption Function
  - Government Spending
  - The Expenditure Multiplier
  - The Tax Multiplier
  - The Balanced Budget Multiplier
  - Fiscal Policy
  - Inflationary Effects
  - Budget Deficits
  - Automatic Stabilizers
  - Full Employment Budget

## **MODULE 8: MONEY, FINANCIAL MARKETS, AND THE BANKING SYSTEM**

**LEARNING OBJECTIVES:**

- Recognize the primary function of money and the role of financial institutions.
- Identify the role of the interest rates and the money supply.

**TOPICS COVERED:**

- Individual Keys in This Module
  - The Meaning and Function of Money
  - Financial Instruments
  - Financial Institutions and Markets
  - The Federal Reserve System
  - Functions of the Federal Reserve
  - Organization of the Banking System
  - How Banks Create Money
  - Demand for Money Balances
  - The Federal Reserve and the Money Supply
  - Interest and Interest Rates

**MODULE 9: MONETARY POLICY****LEARNING OBJECTIVES:**

- Recognize the relationship between investment and interest rates.

**TOPICS COVERED:**

- Individual Keys in This Module
  - Price Level and Inflation
  - Income and Interest Rates
  - Investment and Interest Rates
  - The Quantity Theory of Money
  - Interest and Money Demand
  - Supply of and Demand for Money
  - Tools of Monetary Policy

**MODULE 10: THE FULL MACROECONOMIC MODEL****LEARNING OBJECTIVES:**

- Recognize the value of the Phillips curve and its application to monetary policy for price stability and employment.
- Identify the cause of stagflation and some potential solutions.

**TOPICS COVERED:**

- Individual Keys in This Module
  - Aggregate Supply and Demand: Equilibrium
  - Aggregate Supply: Short Run

- Aggregate Supply: Long Run
- Labor Supply, Wages, and Productivity
- The Phillips Curve
- Aggregate Demand
- Equilibrium in Money and Goods Markets
- Stagflation
- Federal Deficits

## **MODULE 11: INTERNATIONAL TRADE AND FINANCE**

### **LEARNING OBJECTIVES:**

- Recognize some key attributes of the international trade and the foreign exchange market.
- Calculate exchange rates.

### **TOPICS COVERED:**

- Individual Keys in This Module
  - Gains from Trade
  - The Foreign Trade Multiplier
  - The Case for Free Trade
  - The Case for Restricted Trade
  - Arguments for Protection
  - The Balance of Payments
  - The Foreign Exchange Market
  - Strong Dollar and Weak Dollar
  - Correcting a Persistent Payments Deficit

## **MODULE 12: ISSUES IN MACROECONOMICS**

### **LEARNING OBJECTIVES:**

- Recognize monetarism theory and Keynesian economics.

### **TOPICS COVERED:**

- Individual Keys in This Module
  - The Classical (Market Clearing) Model
  - Keynesian Economics
  - Monetarism
  - Neoclassical Macroeconomics
  - Rational Expectations
  - Supply-Side Economics