

April 2020- Economic Practice Videos with Jacob Clifford

All sessions are LIVE on [YouTube](#) at 10:00am PST (1pm Eastern)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
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Students- Please learn and review the content before watching the LIVE videos. These videos are designed to help you practice

Teachers-These videos and worksheets are designed to help students during the COVID-19 crisis. [Do not use these resources next year without permission](#)

Macroeconomics Course Breakdown

Unit 1: Basic Economic Concepts

Topic 1.1- Scarcity

- Scarcity
- Microeconomics vs. Macroeconomics
- Opportunity Cost and Trade-offs
- Four Factors of Production

Topic 1.2- Production Possibilities Curve

- Efficiency and Opportunity Cost
- Law of Increasing Opportunity Costs
- Shifters of the PPC
- Capital Goods and Future Growth

Topic 1.3- Comparative Advantage and Trade

- Absolute Advantage
- Comparative Advantage
- Terms of Trade

Topic 1.4- Demand

- Law of Demand
- Substitution Effect and Income Effect
- Law of Diminishing Marginal Utility
- Quantity Demanded vs. Demand
- Shifters (Determinants) of Demand

Topic 1.5- Supply

- Law of Supply
- Quantity Supplied vs. Supply
- Shifters (Determinants) of Supply

Topic 1.6- Market Equilibrium and Changes

- Equilibrium Price and Quantity
- Disequilibrium: Surplus and Shortage
- Single Shifts
- Double Shifts
- Price Controls: Floors and Ceilings

Unit 2: Economic Indicators and the Business Cycle

Topic 2.1- Circular Flow and GDP

- Product Market and Factor Market
- Private and Public Sector and Transfer Payments
- Gross Domestic Product (GDP)
- Expenditures Approach ($C+I+G+X_n$)
- Income Approach
- Value-Added Approach

Topic 2.2- Limitations of GDP

- Intermediate Goods
- Nonmarket Transactions
- Household Production

Topic 2.3- Unemployment

- Labor Force and Unemployment Rate
- Frictional, Structural, & Cyclical Unemployment
- Natural Rate of Unemployment (NRU)
- Discouraged Workers

Topic 2.4- Price Indices and Inflation

- Inflation, Deflation, and Disinflation
- Consumer Price Index (CPI)
- Substitution Bias and Limitations of CPI

Topic 2.5- Costs of Inflation

- Helped v. Hurt By Unanticipated Inflation
- Effects of Hyperinflation

Topic 2.6- Real v. Nominal GDP

- Real GDP and Nominal GDP
- GDP Deflator

Topic 2.7- Business Cycle

- Four Phases of the Business Cycle
- Negative Output Gap (Recessionary Gap)
- Positive Output Gap (Inflationary Gap)

Unit 3: National Income and Price Determination

Topic 3.1- Aggregate Demand (AD)

- Aggregates and Price Level
- Wealth, Interest Rate, and Trade Effect
- Shifters of Aggregate Demand

Topic 3.2- Multipliers

- Marginal Propensity to Consumer (MPC)
- Marginal Propensity to Save (MPS)
- Expenditures Multiplier
- Tax Multiplier and Disposable Income

Topic 3.3- Short-Run Aggregate Supply (SRAS)

- Sticky Wages and Prices
- Shifters of Short-Run Aggregate Supply
- Inflationary Expectations

Topic 3.4- Long-Run Aggregate Supply (LRAS)

- Maximum Sustainable Capacity
- Shifters of Long-Run Aggregate Supply

Topic 3.5- Equilibrium in the AD-AS Model

- Full Employment
- Negative and Positive Output Gaps

Topic 3.6- Changes in the AD-AS Model

- Positive and Negative Demand Shocks
- Positive and Negative Supply Shocks
- Demand-Pull and Cost-Push Inflation

Topic 3.7- Long-Run Self-Adjustment

- Flexible Wages and Prices
- Economic Growth

Topic 3.8- Fiscal Policy

- Discretionary Fiscal Policy
- Expansionary v. Contractionary Policy
- Autonomous Consumption
- Time Lags

Topic 3.9- Automatic Stabilizers

- Non-Discretionary Fiscal Policy
- Social Service Programs and Taxes

Macroeconomics Course Breakdown

Unit 4: Financial Sector

Topic 4.1- Financial Assets

- Interest Rates, Liquidity, and Risk
- Bonds and Bond Prices

Topic 4.2- Nominal v. Real Interest Rates

- Lenders and Borrowers
- Inflation and Interest Rates

Topic 4.3- Measurements and Functions of Money

- Barter System and Coincidence of Wants
- Three Functions of Money
- Money Classifications (M0, M1, and M2)
- The Monetary Base

Topic 4.4- Banking and the Money Supply

- Fractional Reserve System
- Bank Balance Sheets and Demand Deposits
- Required Reserves and Excess Reserves
- Money Multiplier

Topic 4.5- The Money Market

- Demand and Supply of Money
- Central Banks and The Federal Reserve

Topic 4.6- Monetary Policy

- Expansionary v. Contractionary Policy
- Open-Market Operations and Discount Rate
- Federal Funds Rate

Topic 4.7- The Loanable Funds Market

- Savers and Borrowers
- National Savings and Public & Private Savings
- Loanable Funds Shifters

Unit 5: Long-Run Consequences of Stabilization Policies

Topic 5.1- Fiscal and Monetary Policy Actions

- Short-Run Policy Combinations

Topic 5.2- The Phillips Curve

- Short-Run Trade Offs
- Long-Run Phillips Curve (LRPC)

Topic 5.3- Money Growth and Inflation

- Quantity Theory of Money & Velocity of Money
- Long-Run Neutrality of Money

Topic 5.4- Deficits and the National Debt

- Budget Deficit/Surplus & National Debt

Topic 5.5- Crowding Out

- Private Investment and Loanable Funds
- Short-Run and Long-Run Impact

Topic 5.6- Economic Growth

- Physical and Human Capital and Productivity
- GDP per Capita
- Aggregate Production Function

Topic 5.7- Public Policy and Economic Growth

- Public Investment and Infrastructure
- Supply-Side Fiscal Policies

Unit 6: Open Economy- International Trade and Finance

Topic 6.1- Balance of Payments

- Closed v. Open Economies
- Current Account (CA)
- Capital and Financial Account (CFA)
- Balance of Trade and Trade Surplus/Deficit
- Financial Capital Outflow and Inflow

Topic 6.2- Exchange Rates

- Appreciation and Depreciation

Topic 6.3- The Foreign Exchange Market

- Demand and Supply of Currency
- Shifters of Currency Demand and Supply

Topic 6.4- Effect of Changes in Policies and Conditions

- Effects of Tariffs and Quotas
- Fixed Exchange Rate

Topic 6.5- Changes in Foreign Exchange and Net Exports

- Effects on Net Exports
- Connection to AD-AS Model

Topic 6.6- Real Interest Rates and Capital Flows

- Relative Interest Rates
- Connection to Loanable Funds Market

Essential Graphs (Overview)

1. Production Possibilities Curve
2. Aggregate Demand and Supply and LRAS
3. The Money Market
4. The Loanable Funds Market
5. The Phillips Curve
6. Foreign Exchange (FOREX)

Key Skills

1. Identify comparative advantage and terms of trade
2. Calculate GDP and use the GDP Deflator
3. Identify who is helped and hurt by inflation
4. Use the shifters of aggregate demand and supply
5. Calculate and use spending multiplier
6. Explain how economy self-adjusts in the long-run
7. Read and manipulate bank balance sheets
8. Calculate and use the money multiplier
9. Explain open market operations
10. Explain short-run and long-run effects of investment
11. Categorize transactions with balance of payments
12. Explain how exchange rates affect net exports

Need More Help?

Get the [Ultimate Review Packet](#)

Microeconomics Course Breakdown

Unit 1: Basic Economic Concepts

Topic 1.1- Scarcity

- Scarcity
- Microeconomics vs. Macroeconomics
- Opportunity Cost and Trade-offs
- Four Factors of Production

Topic 1.2- Resource Allocation and Economic Systems

- Three Economic Questions
- Command, Market and Mixed Economies

Topic 1.3- Production Possibilities Curve

- Efficiency and Opportunity Cost
- Law of Increasing Opportunity Costs
- Shifters of the PPC
- Capital Goods and Future Growth

Topic 1.4- Comparative Advantage and Trade

- Absolute Advantage
- Comparative Advantage
- Terms of Trade

Topic 1.5- Cost-Benefit Analysis

- Explicit and Implicit Costs
- Total Utility and Marginal Utility

Topic 1.6- Marginal Analysis and Consumer Choice

- Law of Diminishing Marginal Utility
- Sunk Costs
- Utility Maximizing Rule

Unit 2: Supply and Demand

Topic 2.1- Demand

- Property Rights and Incentives
- Law of Demand
- Substitution Effect and Income Effect
- Quantity Demanded v. Demand
- Shifters (Determinants) of Demand

Topic 2.2- Supply

- Law of Supply
- Quantity Supplied v. Supply
- Shifters (Determinants) of Supply

Topic 2.3- Price Elasticity of Demand

- Shifters (Determinants) of Supply
- Elastic, Inelastic, and Unit Elastic
- The Total Revenue Test

Topic 2.4- Price Elasticity of Supply

- Elastic, Inelastic, and Unit Elastic

Topic 2.5- Other Elasticities

- Income Elasticity of Demand
- Cross-Price Elasticity of Demand

Topic 2.6- Market Equilibrium and Consumer and Producer Surplus

- Price System and Resource Allocation
- Consumer and Producer Surplus
- Total Surplus

Topic 2.7- Market Disequilibrium and Changes in Equilibrium

- Shortage and Surplus

Topic 2.8- The Effects of Government Intervention

- Price Controls: Floors and Ceilings
- Deadweight Loss
- Taxes and Subsidies
- Incidence of Taxes

Topic 2.9- International Trade and Public Policy

- Autarky v. Trade
- Tariffs and Quotas

Unit 3: Production, Cost, and the Perfect Competition Model

Topic 3.1- The Production Function

- Law of Diminishing Marginal Returns
- Total, Marginal, and Average Product

Topic 3.2- Short-Run Production Costs

- Total, Variable, and Fixed Costs
- Per-Unit Costs (ATC, AVC, AFC, and MC)
- Cost Curves

Topic 3.3- Long-Run Production Cost

- Increasing, Decreasing, and Constant Returns to Scale
- Economies, Diseconomies, and Constant Returns to Scale (Efficient Scale)

Topic 3.4- Types of Profit

- Economic Profit v. Accounting Profit
- Normal Profit

Topic 3.5- Profit Maximization

- Profit Maximizing Rule ($MR=MC$)

Topic 3.6- Firms' Short-Run Decisions to Produce and Long-Run Decisions To Enter or Exit a Market

- Economic Loss
- Shutdown Rule

Topic 3.7- Perfect Competition

- Barriers to Entry and Market Power
- Price Takers
- Allocative and Productive Efficiency
- Constant, Increasing, and Decreasing Cost Industries

Unit 4: Imperfect Competition

Topic 4.1- Introduction to Imperfectly Competitive Markets

- Monopoly, Oligopoly, Monopolistic Competition
- Price Makers
- Marginal Revenue Less Than Demand
- Elastic and Inelastic Range of Demand

Topic 4.2- Monopoly

- Natural Monopoly
- Inefficiency

Microeconomics Course Breakdown

[Topic 4.3- Price Discrimination](#)

- Conditions and Effects of Price Discrimination

[Topic 4.4- Monopolistic Competition](#)

- Non-price Competition
- Differentiated Products

[Topic 4.5- Oligopoly and Game Theory](#)

- Interdependence
- Collusion and Cartels
- Dominant Strategy and Nash Equilibrium

Unit 5: Factor Markets

[Topic 5.1- Introduction to Factor Markets](#)

- Factors of Production and Factor Payments
- Supply and Demand for Labor

[Topic 5.2- Changes in Factor Demand and Factor Supply](#)

- Factors of Production and Factor Payments
- Supply and Demand for Labor
- Derived Demand and Productivity
- Shifters (Determinants) of Demand and Supply

[Topic 5.3- Profit-Maximizing Behavior in Perfectly Competitive Factor Markets](#)

- Marginal Revenue Product
- Marginal Factor (Resource) Cost
- Profit Maximizing Rule ($MRP=MFC$)
- Least-Cost Rule

[Topic 5.4 Monopsonistic Markets](#)

- Monopsony
- MFC Greater than Supply

Unit 6: Market Failure and the Role of the Government

[Topic 6.1- Socially Efficient and Inefficient Market Outcomes](#)

- Market Failures
- Private Marginal Benefits and Costs
- Social Marginal Benefits and Costs
- Socially Optimal Output

[Topic 6.2- Externalities](#)

- External Benefits and Costs
- Positive and Negative Externalities
- Public Policies to Achieve Efficiently

[Topic 6.3- Public and Private Goods](#)

- Non-Rivalry and Non-Exclusion
- Free Rider Problem

[Topic 6.4- The Effects of Government Intervention in Different Market Structures](#)

- Per-unit Taxes and Subsidies
- Lump-sum Taxes and Subsidies
- Regulation
- Antitrust Policies

[Topic 6.5- Inequality](#)

- Lorenz Curve and Gini Coefficient
- Progressive and Regressive Tax Structures

Essential Graphs

1. Production Possibilities Curve
2. Demand and Supply
3. Demand and Supply: Price Controls
4. Demand and Supply: Excise Tax
5. Demand and Supply: Trade and Tariffs
6. Perfect Competition Product Market and Firm
7. Monopoly
8. Price Discriminating Monopoly
9. Monopolistic Competition in Long-Run
10. Game Theory Matrix
11. Perfect Competition Product Market and Firm
12. Monopsony
13. Negative Externality
14. Positive Externality
15. Lorenz Curve

Key Skills (Overview)

1. Identify comparative advantage and terms of trade
2. Calculate and maximize utility
3. Differentiate between a change in demand and a change in quantity demanded.
4. Calculate elasticity coefficients
5. Use supply and demand to show the results of ceilings, floors, taxes, quotas, and trade
6. Identify and calculate consumer and producer surplus and deadweight loss
7. Apply profit maximizing rule for production
8. Calculate total revenue, total cost and per-unit costs
9. Identify shut down point and short run supply curve
10. Identify elastic/inelastic range of monopoly demand
11. Identify dominant strategies and Nash equilibrium
12. Calculate marginal revenue product and marginal factor cost
13. Apply profit maximizing rule for hiring workers
14. Explain solutions to externalities
15. Compare per unit and lump sum taxes/subsidies

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