

Mac-tivities

An AP Macroeconomics Review Book



By

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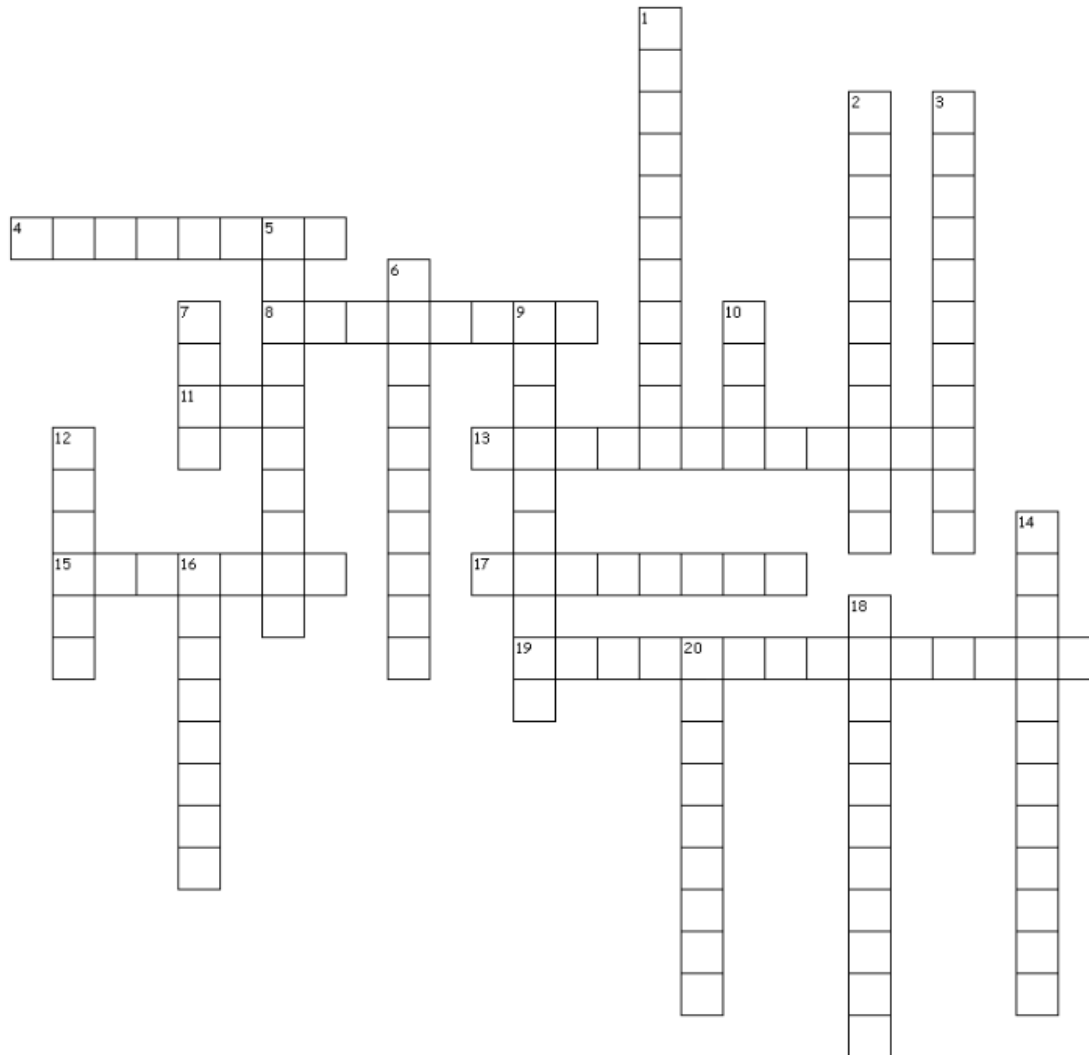
Across

- 4. shift to the right
- 8. currency held in bank vaults
- 11. additional consumption of additional \$1
- 13. a decrease in the inflation rate
- 15. one of the 4 categories of resources
- 17. position of LRPC
- 19. policy to address inflation

Down

- 1. largest component of GDP
- 2. no tendency for change
- 3. bagels and cream cheese
- 5. unemployment due to skill mismatch
- 6. how resources are combined
- 7. monetary policy makers
- 9. no waste
- 10. adjusted for price changes
- 12. type of wages for SRAS to slope up
- 14. when exchange rate decreases
- 16. good purchased less as income rises
- 18. workers who gave up job search
- 20. when output and employment fall

AP Macro Review Puzzle



AP MACRO Word Search

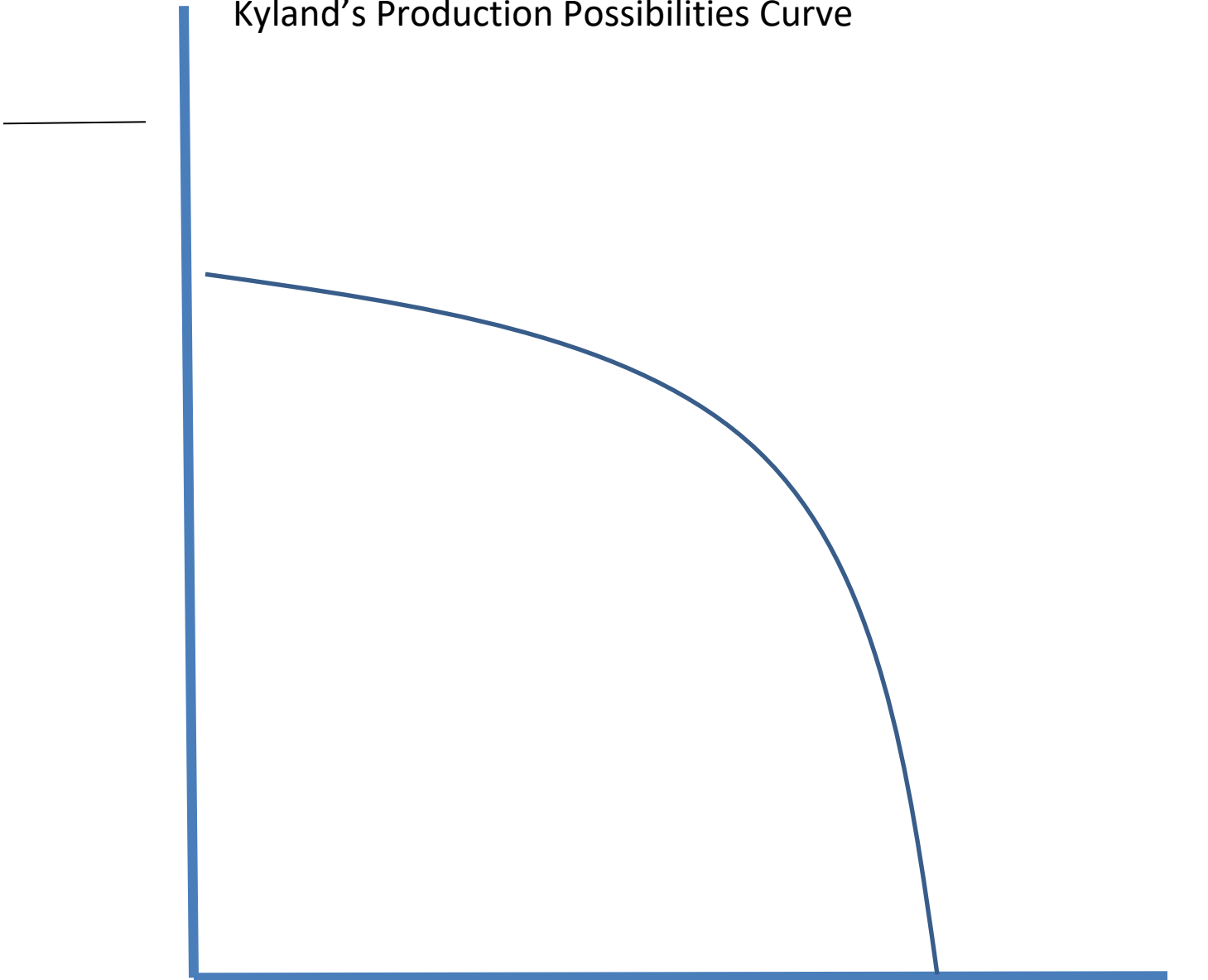
O U X Q U C G A Q Y Y N X E M
S N T S N Z Y M T E R O S D I
M U L T I P L I E R A R T A U
A A V W H V L N D V N M R A V
H M G M E A K E V L O A O I Y
S P M G R A F K A X I T P B C
T J G T R L L N Q T T I X T F
I I U R A E I T B H E V E A P
Y E C T F M G O H J R E U R C
N V I I O J S A B F C U X I A
U O A N F Y B E T T S W D F Q
N T T A E E G X V E I E E F O
S A V I N G D T D J D S I Q L
L A C I L C Y C L W E O T X K
D O H A A X L H P O P O S S T

AGGREGATE
DEFLATION
FIAT
NEUTRALITY
SAVING

CYCLICAL
DISCRETIONARY
MPS
NOMINAL
TARIFF

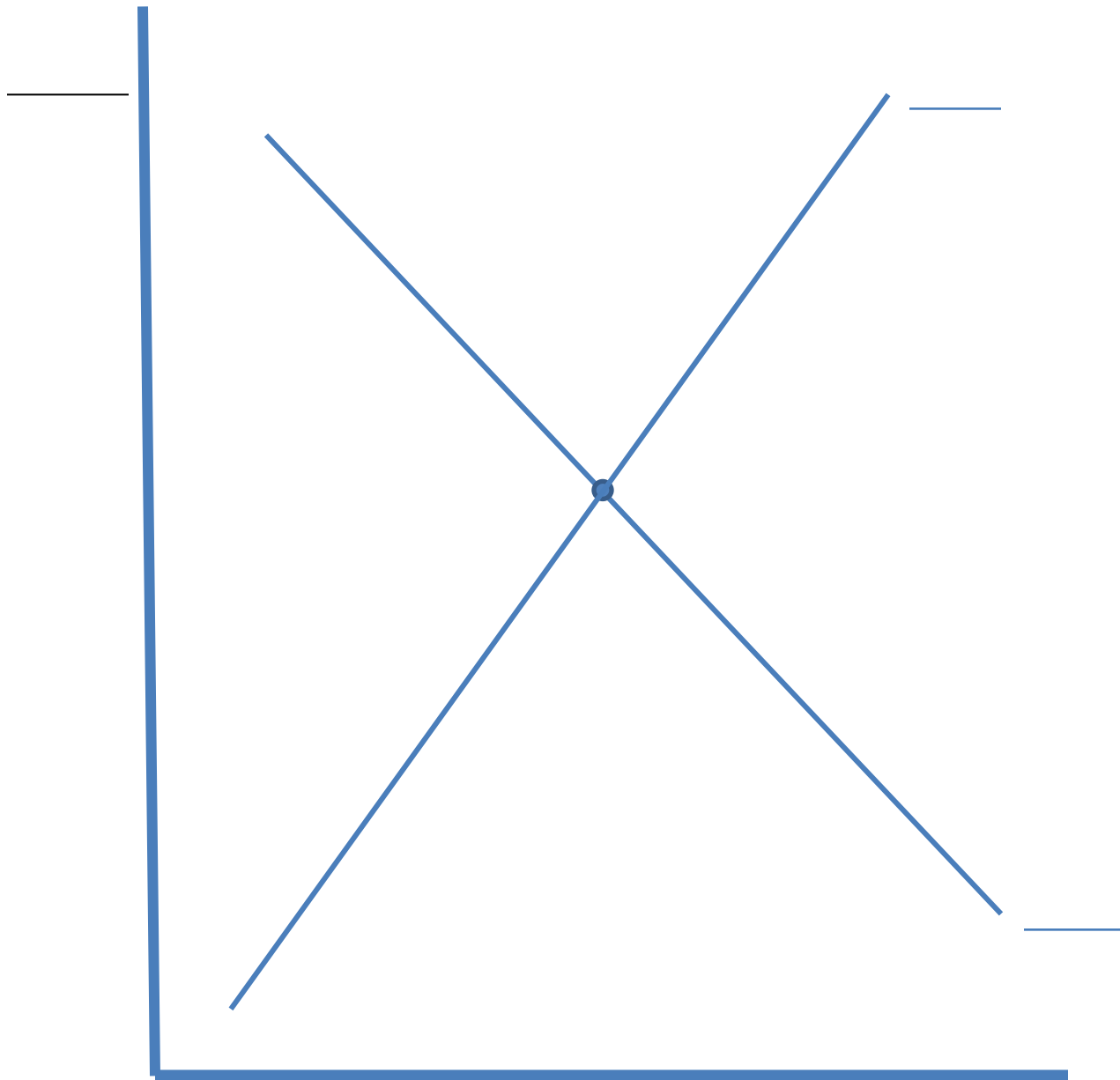
DEFICIT
EXPORTS
MULTIPLIER
NORMATIVE
WEALTH

Kyland's Production Possibilities Curve



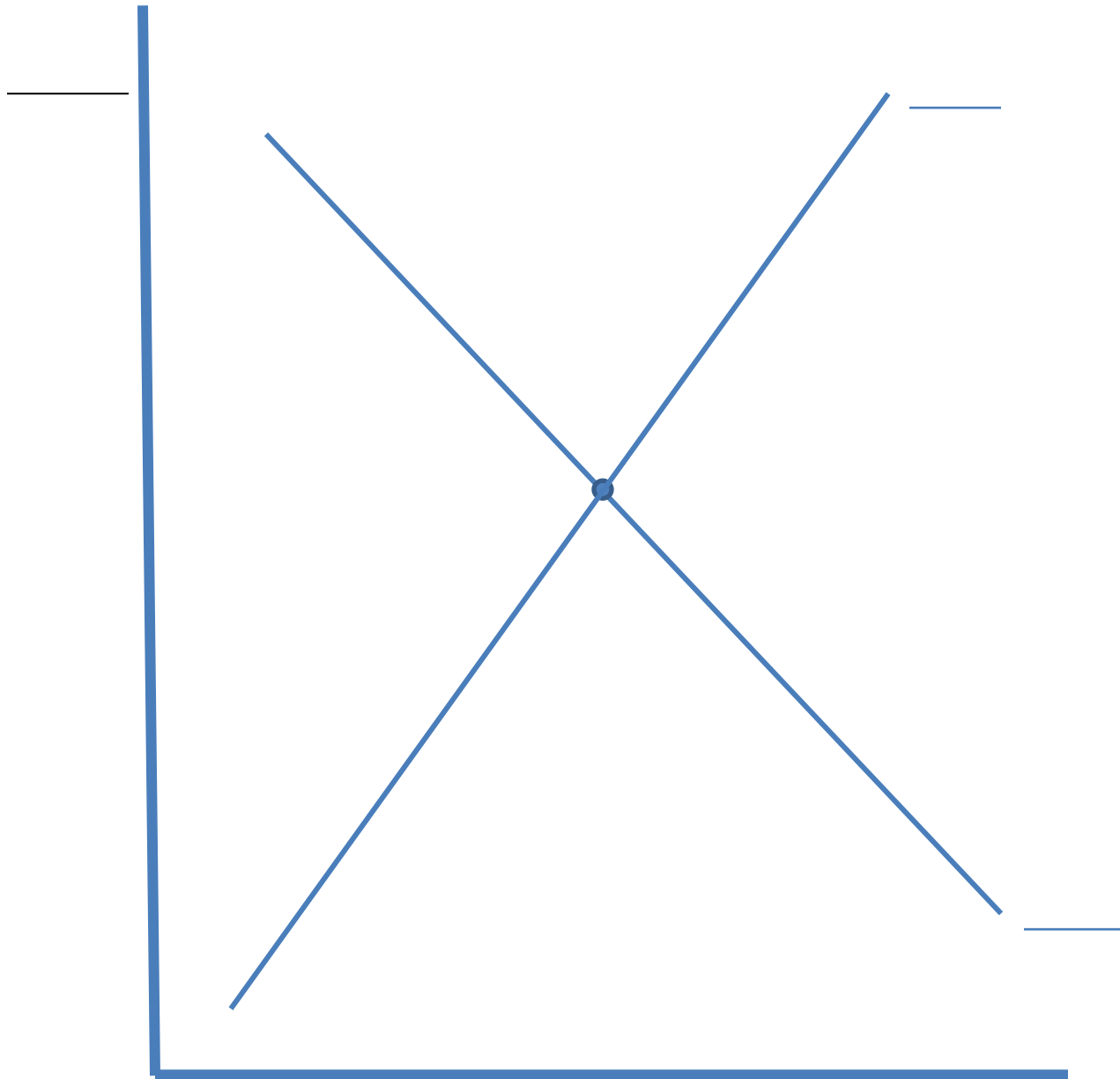
1. Correctly label the axes
2. Completely shade the area on the graph representing inefficient production in green
3. Draw three red points that are efficient
4. Shade the area that is presently unattainable in blue
5. Draw a new PPC in black showing long-run economic growth

A Market for Oranges



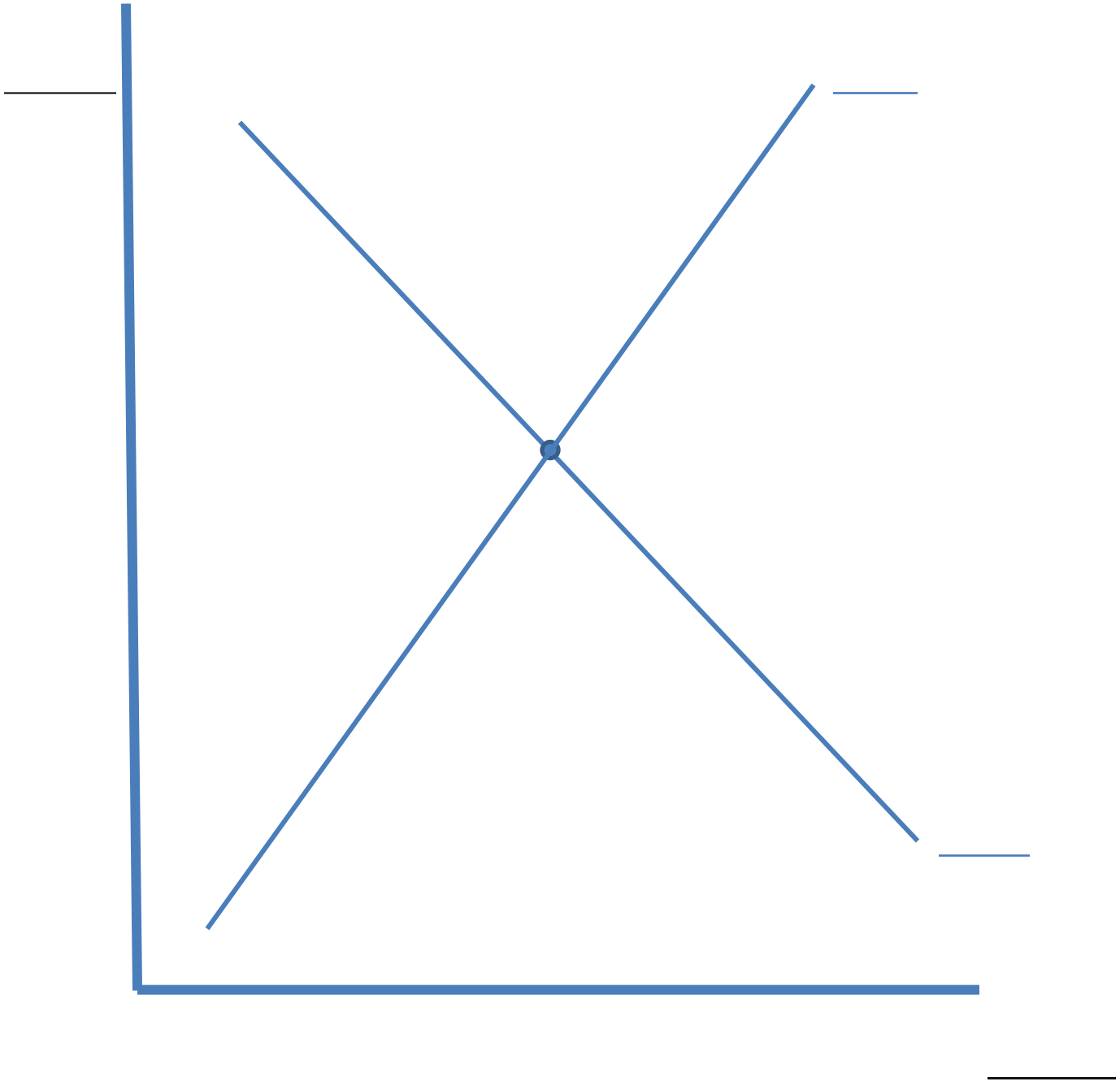
1. Correctly label the axes and the demand and supply curves on the graph
2. Label the market equilibrium price on the vertical axis using blue
3. Label the market equilibrium quantity on the horizontal axis using blue
4. Choose a price below the equilibrium price and label it P_{below} . Identify the quantity demanded and supplied at this price on the horizontal axis in green. Show a line indicating the difference between Q_s and Q_d at the price below equilibrium and label it as a surplus or shortage. Use an arrow to indicate how price will change as a result of the surplus/shortage.
5. Choose a price above the equilibrium price and label it P_{above} . Identify the quantity demanded and supplied at this price on the horizontal axis in green. Show a line indicating the difference between Q_s and Q_d at the price below equilibrium and label it as a surplus or shortage. Use an arrow to indicate how price will change as a result of the surplus/shortage.

A Perfectly Competitive Market (Price Ceiling)



1. Correctly label the axes and the demand and supply curves on the graph
2. Label the market equilibrium price and quantity on the axes using blue
3. Draw a line illustrating an effective price ceiling. Show the quantity demanded (Q_d) and supplied (Q_s), all in red
4. Completely shade the area of consumer surplus with the price ceiling in green
5. Completely shade the area of producer surplus with the price ceiling in blue
6. Completely shade the area of deadweight loss with the price ceiling in red

A Perfectly Competitive Market (Price Floor)



1. Correctly label the axes and the demand and supply curves on the graph
2. Label the market equilibrium price and quantity on the axes using blue
3. Draw a line illustrating an effective price floor. Show quantity demanded (Q_d) and supplied (Q_s), all in red
4. Completely shade the area of consumer surplus with the price ceiling in green
5. Completely shade the area of producer surplus with the price ceiling in blue
6. Completely shade the area of deadweight loss with the price ceiling in red

The Circular Flow Model

Draw arrows between boxes to show 4 types of flows.

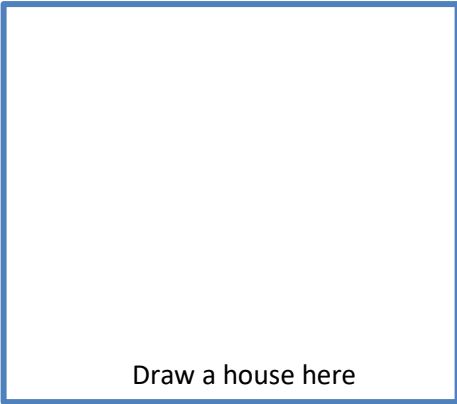
Use green arrows for flows of funds, red arrows for flows of goods/services, and blue arrows for flows of resources.

Number each flow you draw.

- Four types of flows:
1. Wages, rent, interest, and profit
 2. Land, labor, capital and entrepreneurship
 3. Payment for purchases
 4. Goods and services



Product / Factor Market
(Circle one)



Draw a house here



Draw a Business here



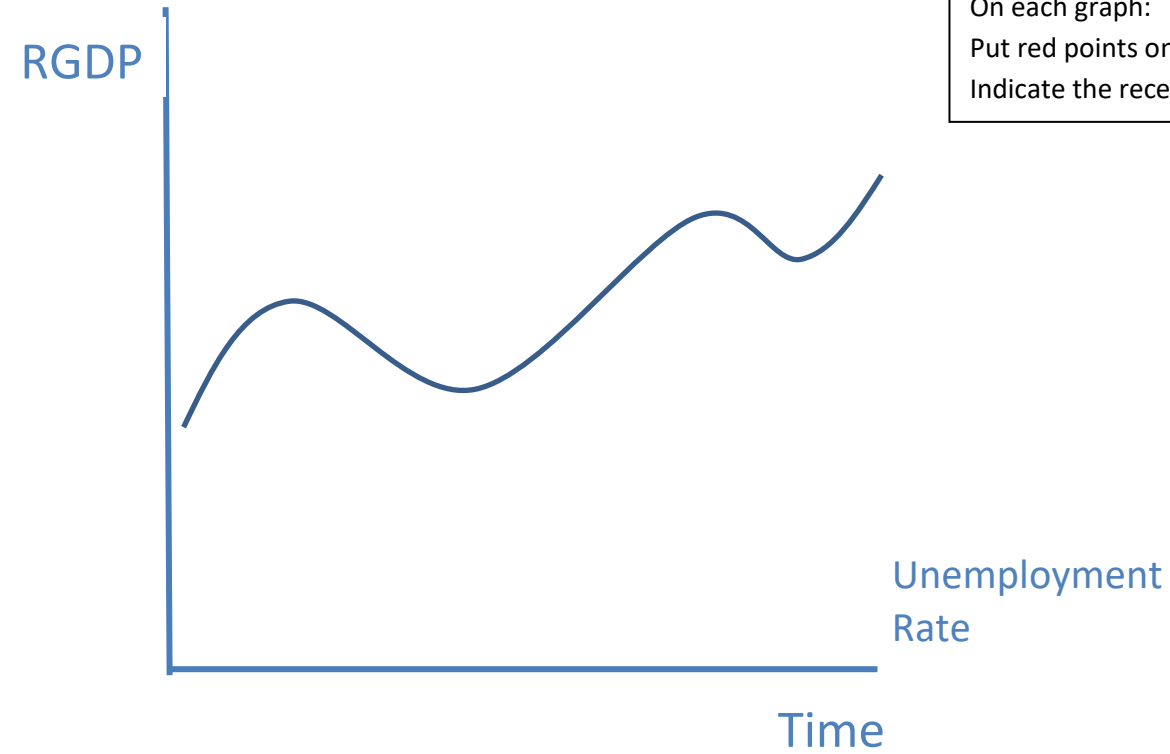
Product / Factor Market
(Circle one)

The Business Cycle

On each graph:

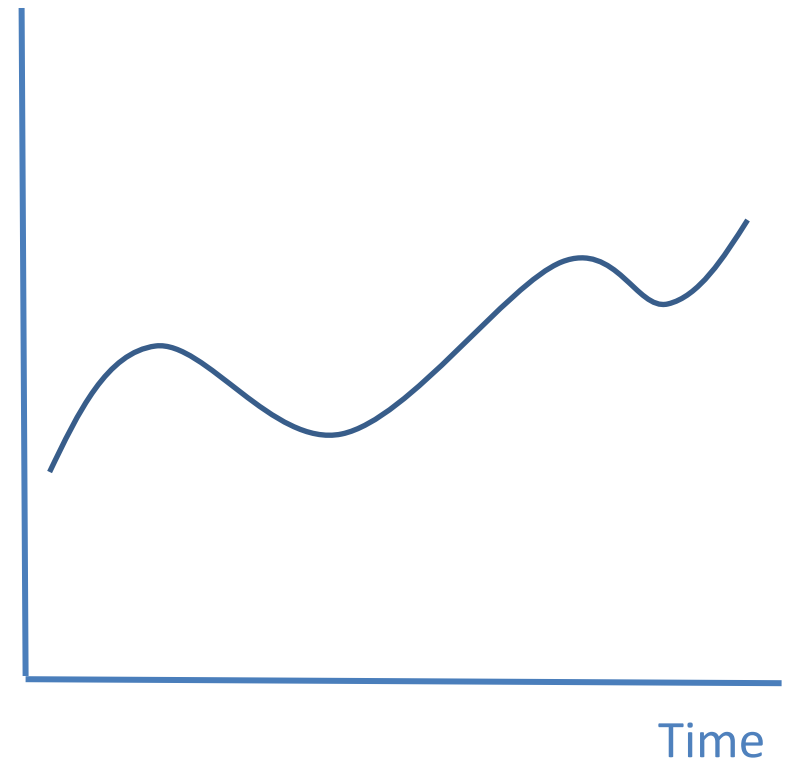
Put red points on the business cycle peaks and blue points on the business cycle troughs

Indicate the recessions with green and the expansions with yellow



Unemployment
Rate

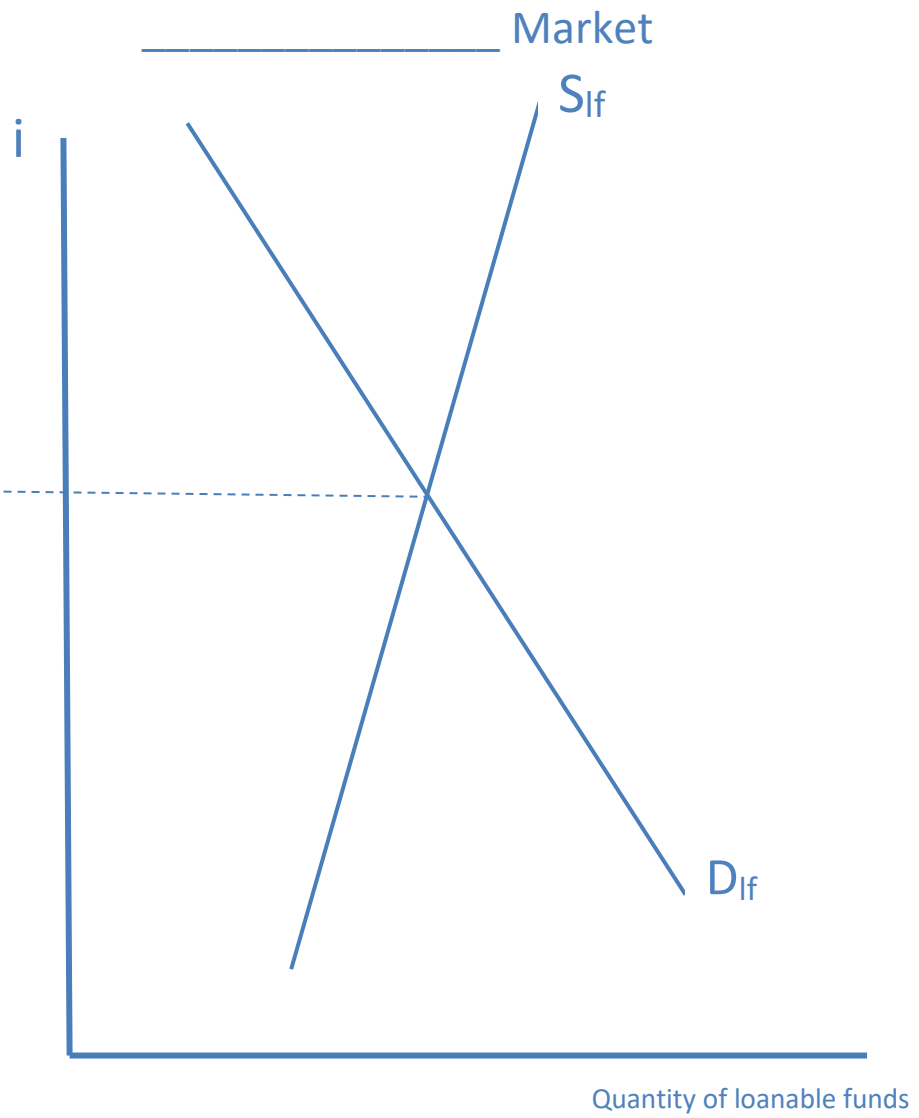
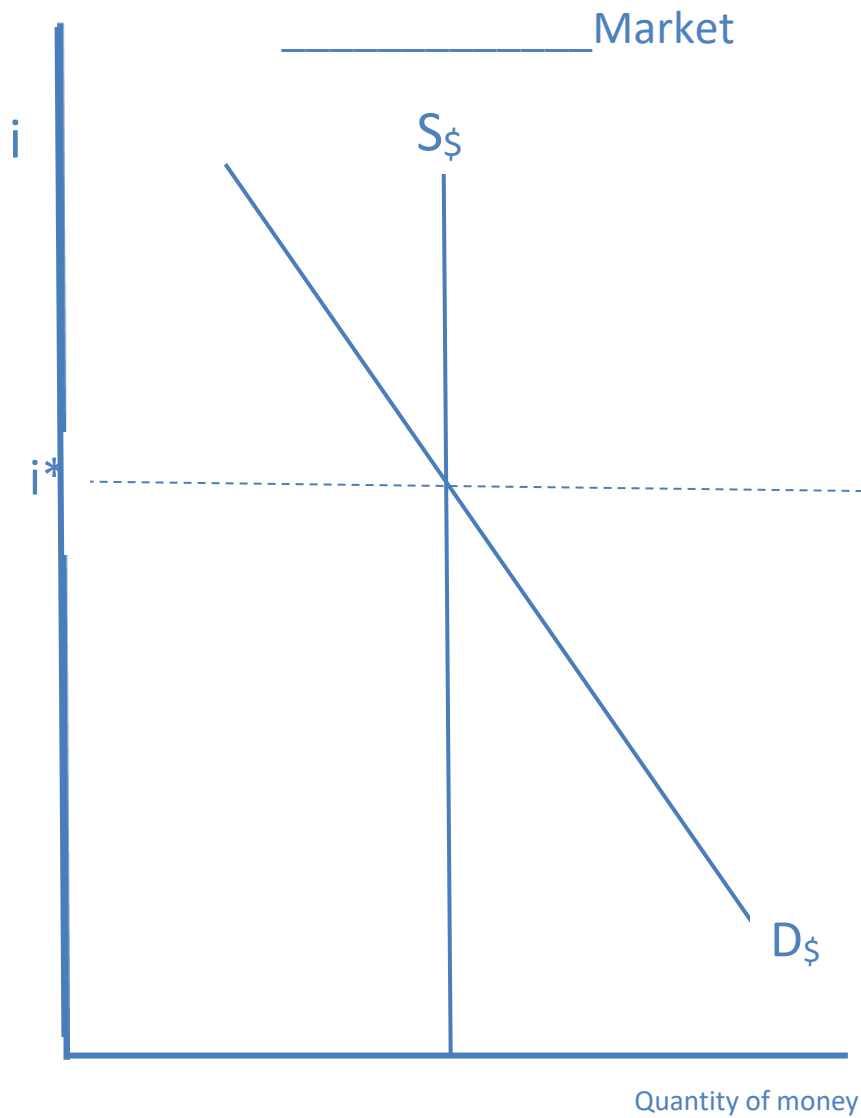
Time



Time

On each graph:

Use red to draw a line indicating long-run economic growth over time.



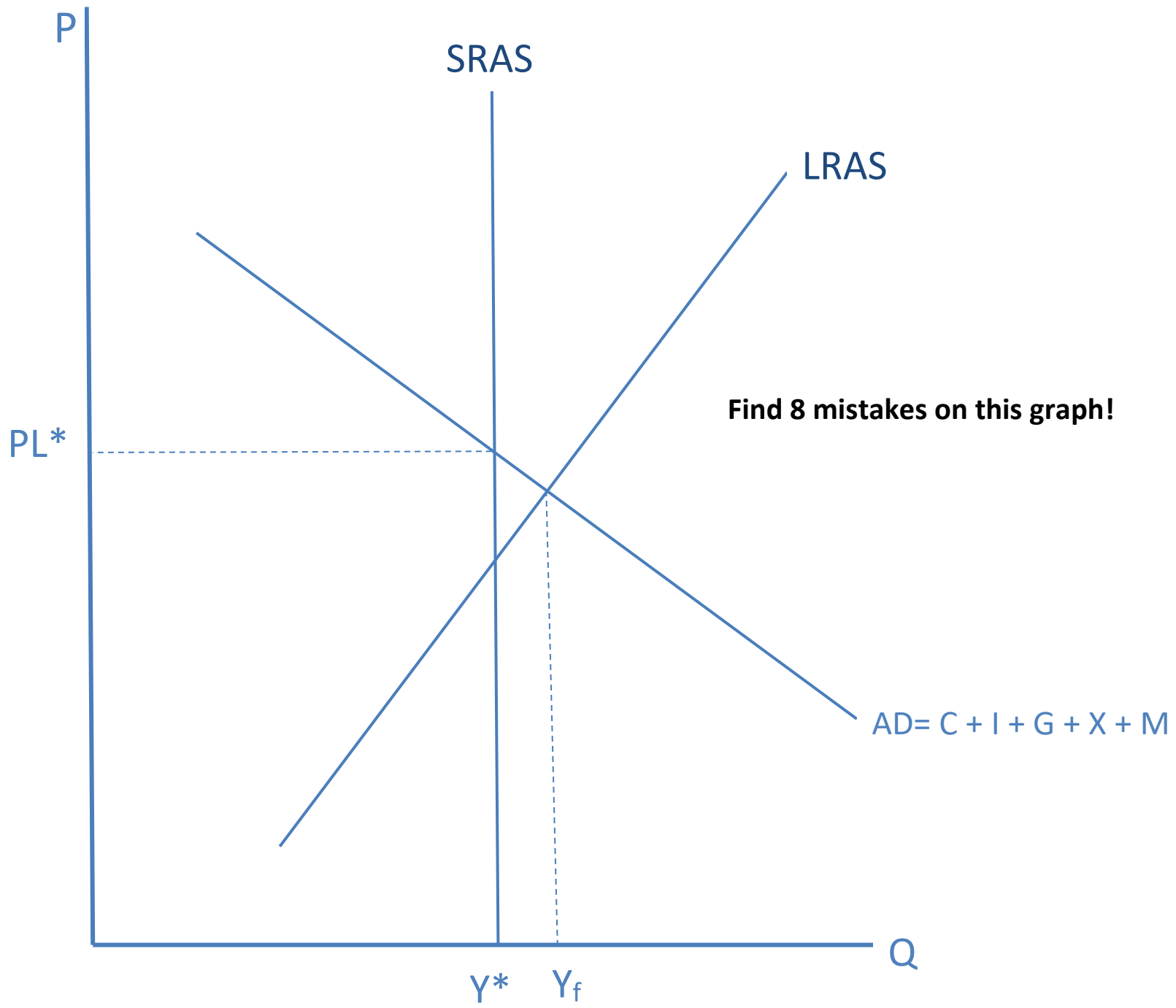
Same

Different

Provide a title for these graphs and Find 2 things that are the same in these graphs 5 things that are different.

Recession in Macroland

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.



Stabilization Policy

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Unscramble each of the clue words.

Take the letters that appear in

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 boxes and unscramble them for the final message.