

Macroeconomics Course Paper – Possible Topics

1. What is GDP and how is it calculated? What are some of the weaknesses of using GDP as a measure of economic performance? How do we take into account inflation when comparing GDP in one period to GDP in a different period?
2. What is the CPI, and how is it calculated? Why do many groups want their pay to be linked to the CPI? Should there be a different market basket for younger households than for older households?
3. What is inflation, and how is it calculated? What is the FED's goal for inflation, and why doesn't the FED seek to achieve no inflation? What are some of the harmful effects of high rates of inflation?
4. How do we define unemployment? Why is our current measure of unemployment misleading? Why do some economists prefer using the "real" unemployment rate? Why are so many middle aged men not working and not unemployed?
5. What are the different types of unemployment? Give examples of each. How does an increase or decrease in the minimum wage affect unemployment?
6. What is fiscal policy? Who conducts fiscal policy? What are some of the problems with using fiscal policy to achieve economic goals? How do Keynesians view the use of fiscal policy compared to the views of non-Keynesians?
7. What is money? Discuss the evolution of money? What is included in the U.S. money supply?
8. Discuss the contributions of John Maynard Keynes to the development of Macroeconomics.
9. What is the Federal Reserve? What is its primary mission? Why do many politicians and economists oppose the FED?
10. What is monetary policy? Who conducts it, and how? What is the Federal Funds Rate, and why is it important in the conduct of monetary policy?