

The Comprehensive Essay Question

This is exactly the question you will be given on May 15 as your comprehensive essay question.
You will have 4 lined pages (or more, if needed) on which to write your essay.

Congratulations! You landed a job teaching high school through the Teach for America program! You need to prepare notes for your AP Econ class. You're still nervous when you teach so you like to write out what you plan to say.

Your plan for tomorrow's class is to pull together a lot of what you've covered all term by talking about the U.S. economy's current problems, how we got into this mess, and what will pull the economy out of recession. Your students are smart but young. It's important to you to leave them with words of hope. You feel as if you've overemphasized the "dismal" part of economics and it's time for something uplifting. They need to be reminded that recessions come and – importantly – *go*. You've put together the following outline. Now your job is to write out what you'll say. Graphs may help your students understand. They know the basic terminology (or at least *most* of them do!), so you don't have to define basic terms.

- Introduction
 - What we're going to talk about today
 - The "bottom line" message(s) of the day
- Background on how we got into an apparent recession
 - Subprime crisis in brief
 - Why investment spending began to fall
 - Why consumption spending began to fall
 - Why state government policy may make things worse
- Some of the micro effects
 - Housing prices
 - Labor costs in construction industry
 - Why stores like Linens 'n' Things are closing but sales of Kraft's Mac & Cheese are rising
- Policy efforts by the Fed
 - What the Fed has done with interest rates and why
 - How their policy is *supposed* to affect the economy
 - 1 or 2 reasons why Fed policy isn't working the way it's supposed to
(Note to self: Keep eye on the clock – don't get carried away here!)
- Policy efforts by the U.S. federal government
 - What they've done
 - How their policy is *supposed* to affect the economy
 - 1 or 2 reasons why their policy might not work the way it's supposed to
- The Hopeful Part
 - (Note to self: Allow enough time here so you end with hope!)
 - Historical context: 20th & 21st century pattern of recession and recovery
 - How bad are things now
 - What part(s) of aggregate demand can lead the U.S. into recovery
 - 1 or 2 policy ideas that could increase aggregate demand
- Conclusion
 - Restate the "bottom line" message(s) of the day
 - Remember to end class with "Go Bears!"
(Note to self: So glad I teach at a school that has a bear as its mascot. How would I end class each day if I had to say something like "Go Tree"?)