

Interactive Learning Environment

Structure

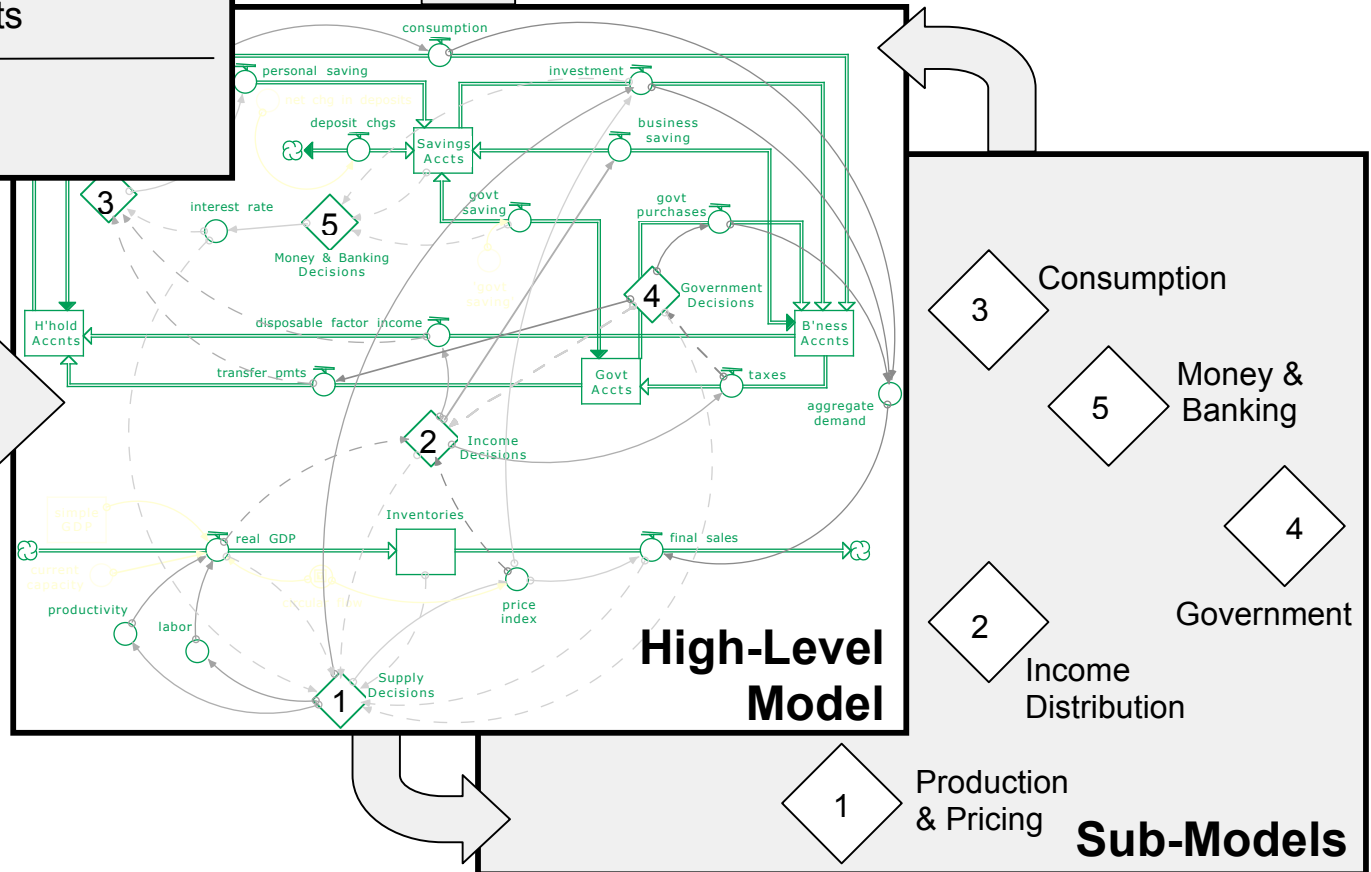
- Overview diagrams:
 - stocks & flows
 - feedback loops
- Annotated display of unfolding model structure

Behavior

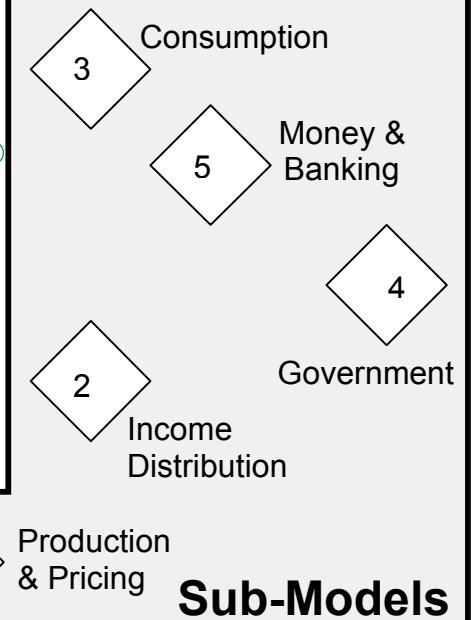
- Simulation Activities
- User control of:
- active sectors
 - initial conditions
 - key parameters
 - key feedback loops
 - growth assumptions
 - shock tests

Assessment

MacroLab Overview




Students see the model take shape gradually, beginning with feedback loops that connect the supply side (bottom) and demand side (top).



International Sub-Model Not Shown

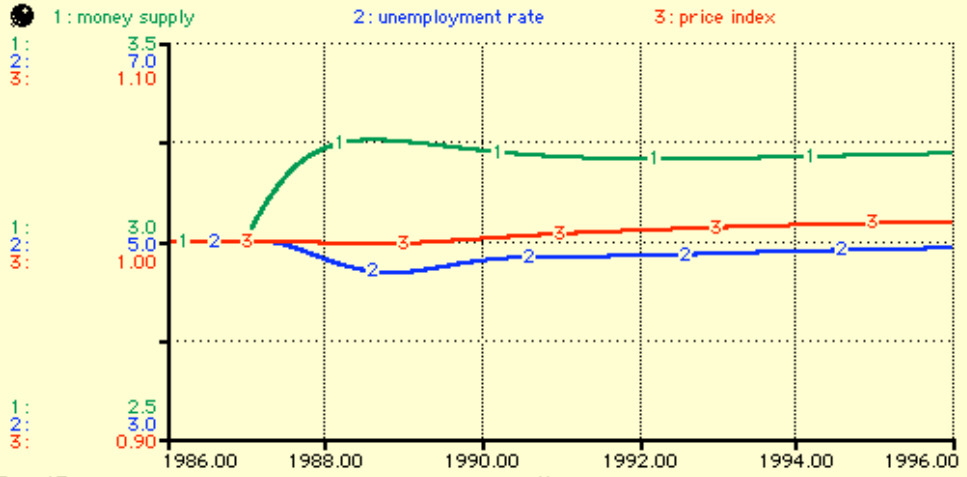
Screen Shot of Sample Simulation Activity in *MacroLab*



experimental mode

historic mode

re-set



1: money supply 2: unemployment rate 3: price index

1: 3.5
2: 7.0
3: 1.10

1: 3.0
2: 5.0
3: 1.00

1: 2.5
2: 3.0
3: 0.90

1986.00 1988.00 1990.00 1992.00 1994.00 1996.00

Years

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?

Effects of Exogenous Increase in Money Supply

RUN pause stop clear

In experimental mode, disregard "historical" years.
Just think of it as a ten-year period.

Sectors

Private Sector ON

Government Sector

Monetary Sector

Foreign Sector

Experimental Shocks

no shock

labor force rise

consumption drop

govt spending rise

money supply rise

Production Assumptions	
✓ Pricing Assumptions	
Consumption Assumptions	0.25
Capital Assumptions	
Labor Assumptions	
Banking Assumptions	
Monetary Policy Assumptions	
Fiscal Policy Assumptions	
Trade Policy Assumptions	
Growth Assumptions	

This area is for student notes....

Explanation of this simulation run:

1. Model is in experimental mode (disregard historical scale on graph)
2. Government and Monetary sectors are ON.
3. Model economy initialized in equilibrium
4. An exogenous increase in the money supply occurs in year "1987"
5. Pull-down menu shows avg. price adj. time set at 3 months (.25 years)
6. Effects shown in graph:
 - Money supply rises and stabilizes at higher level.
 - Unemployment rate falls but eventually returns to its initial level.
 - Prices rise permanently.

Historical Lab

save notes print graphs & notes

