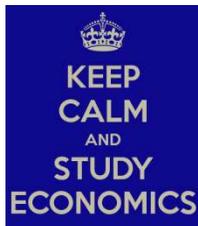


ALL SUMMER WORK IS DEPENDENT UPON YOUR FINALIZED SCHEDULE!

*AP Macroeconomics
Summer Assignment 2019*



Welcome to *AP Macroeconomics*!

In order to prepare for your study of *AP Macroeconomics*, you are to complete the following summer assignment. You are to read three different texts, synthesize information, and demonstrate understanding of economic concepts through writing.

The first text is Section 1 of the textbook, entitled “Basic Economic Concepts” (Modules 1, 3, and 4). The second text is an excerpt from Adam Smith’s, *The Wealth of Nations*. This text written by “the father of economics” will provide you with background information on the meaning of the free-market and the theory of the invisible hand. The third text is the introduction and first chapter from the book *Naked Economics: Undressing the Dismal Science* by Charles Wheelan. This witty and entertaining text translates the arcane language of economics into less confusing, more relatable terms.

All of these texts available as downloads in the *2019 RFH Summer Reading and Summer Assignments* file on the district website or on Mr. Colella and Ms. Schmidt’s teacher websites.

After reading these texts, your task is to write a concise report using real-world examples from *Naked Economics* to explain three terms from Section 1 of *Krugman’s Macroeconomics for AP*. In your report, you must describe how Adam Smith would react to these examples based on what he wrote in *The Wealth of Nations*.

Use the following format to describe *each* of the three economic terms that you choose:

Economic Concept/ Term (ie. scarcity, market economy, opportunity cost, efficiency, etc.)

- a. Example from *Naked Economics* and explanation of how it explains the concept/ term (include the page number from *Naked Economics*)
- b. How Adam Smith would respond to this example from *Naked Economics*
 - i. Would he agree or disagree with it? Why?
 - ii. Justify your answer by referencing *The Wealth of Nations*

Your response should be between 500-700 words, typed, and double spaced. This assignment is due on turnitin.com within the first two weeks of school on the designated assignment due date that will be determined by Dr. Handerhan.

You are also expected to know all of the terms from Section 1 of *Krugman’s Macroeconomics for AP* (Modules 1, 3, and 4) on the designated assignment due date.

If you have any questions, please direct them to us via e-mail at tcollella@rumsonfairhaven.org or sschmidt@rumsonfairhaven.org.

Have a safe and enjoyable summer.

Mr. Colella and Ms. Schmidt