

2020 Summer Assignment AP Economics

Hello future economists! I'm thrilled to be your economics teacher and I look forward to helping you earn a 5 on the AP test. Together we can do it! However, it will require some heavy lifting on your part, including wrestling with new concepts and mastering an entirely new vocabulary. This summer assignment is designed to introduce you to some of those new concepts and to familiarize you with the language of economics.

I'd like you to undertake 3 tasks, outlined below.

1. Read the book *Freakonomics* by Steven Levitt and Stephen Dubner. This is not a boring tome; it is a hip and highly readable book that shows how “economic thinking” can help us understand some of the complexities of modern life—things that would seem to have nothing to do with economics. You can get the book very cheaply on Amazon and even cheaper used. And, of course, for free from local libraries.

2. Based on your reading of *Freakonomics* answer the questions below.

Responses should be typed, single spaced, using 12 point Times New Roman font, and with 1 inch margins. Your resulting work should be about 2 pages in length. As in your other AP classes, when answering the questions, don't just generalize. Rather, cite specifics in the text. This component of your summer assignment is due the first day of school in the fall.

1. Most people think of economics as a very dry subject concerning abstract concepts like monetary and fiscal policy. How does *Freakonomics* change this perception?
2. The authors argue that morality represents the way we'd like the world to work, whereas economics can show how the world really does work. Do you agree with their assertion?
3. The authors identify three types of incentives: social, moral, and financial. Based on your understanding of this important word, can you think of other kinds of incentives?
4. One key goal of the authors is to expose how the “conventional wisdom” on various topics is wrong or based on faulty assumptions. What are some examples of conventional wisdom that you have questioned over the years? Explain.
5. The book raises questions about the role of so-called “experts” in modern society. In your opinion, do experts truly hold too much power in the modern world, or are we lucky to have them?
6. What are some issues in your daily life in which you might be able to apply some of the “economic thinking” on display in *Freakonomics*?
7. In your opinion, what were some of the most convincing arguments put forth in *Freakonomics*? What were some of the least compelling arguments? Explain.

8. Obviously abortion is a hot-button issue in American society. It has important moral and legal implications. Do you find Levitt and Dubner's analysis of the issue convincing? And does their presentation alter your thinking on the issue at all?
9. How does the view of parenting in *Freakonomics* jibe with your own view?
10. After reading *Freakonomics*, do you think that cheating is more prevalent or less prevalent than you thought it was before you read the book?

Your first assessment of the quarter will be on this book, so be sure to take careful notes.

3. Continuing on our quest to destroy the perception of economics as narrow and boring...listen to 3 podcasts by Planet Money on NPR and do a short write up.

These guys are awesome! They explore a wide range of subjects including how big wave surfing helps us understand financial markets, the economic lessons embedded in of *Game of Thrones*, and why Subway's famous five dollar foot long sandwich is no more. Good stuff!

Your mission:

- a. Go to the following website: <http://www.npr.org/sections/money/>
- b. Listen to three podcasts that look like they would be of interest to you.
- c. Do a 1/2 page reflection on each.
 - i. You might briefly summarize the economic issues and then add any personal thoughts.
 - ii. As before, your write up should be single spaced, 12 point font, 1 inch margins.

These write-ups will be collected on the first day of school.