

**A.P. US Government/AP Macroeconomics (12<sup>th</sup> grade)  
Required Summer Reading for the 2020-2021 school year.**

**Naked Economics: Undressing the Dismal Science (Fully Revised and Updated) by Charles Wheelan**

**\* Get the 2010 edition not the 2002 version.**

This book is a great introduction to both government and economics and shows what an important role the two play in our daily lives.

**Part 1: Double-Entry Journal based on Mankiw's 10 Principles of Economics**

**Below are noted Economist Gregory Mankiw's 10 Principles of Economics:**

1. People face tradeoffs.
2. The cost of something is what you give up to get it.
3. Rational people think at the margin.
4. People respond to incentives.
5. Trade can make everyone better off.
6. Markets are usually a good way to organize economic activity.
7. Governments can sometimes improve market outcomes.
8. A country's standard of living depends on its ability to produce goods and services.
9. Prices rise when the government prints too much money.
10. Society faces a short-run tradeoff between inflation and unemployment.

**Guidelines for History Double Entry Journal Form:**

- Compile a list of citations (quotes and page numbers) that are examples of the economic principles listed above. If you need a clearer understanding of the principles, I would suggest you view a video by Stefanie Kushner to assist with your understanding of the 10 principles on YouTube at [https://youtu.be/AN2\\_IDT768Y](https://youtu.be/AN2_IDT768Y)  
Viewing time is 9:25.
- Divide your Journal into two vertical sections; the left half should be used for Mankiw's principle and the right half for Chapter title, quote, and the page number of the example.
- Date all journal entries. Comment/respond at least **three (3)** times per principle. (The Epilogue is considered a chapter) **ALL CHAPTERS MUST BE UTILIZED AT LEAST 3 TIMES!** Use a word processor or type all journal entries – single-spaced, single-sided.

As you read, mark lightly with pencil in the book, or make a quick journal notation to come back for written response or stop reading to write. Use the procedure that is most comfortable for you.

**Part 2:**

After having written your responses, write what **you** think should be the role of a government in a nation's economy. This needs to be in **essay** form (400 words – introduction, body, and conclusion)!

This assignment is due the first day the class meets (i.e. in August!) Plan Ahead!! Broken computers, no paper, no ink are not excuses.

1. Enjoy! (PS: Don't bother to see the film; the book is so much better!)
2. You are going to like this book a lot more than you think. No, really, I promise.

An example of a journal entry:

**Rational people think at the margin.**

7/09/19 – **Chapter 2:** "Every McDonald's hamburger tastes the same, whether it is sold in Moscow, Mexico City, or Cincinnati. That is not a mere curiosity; it is at the heart of the company's success." Pg. 90