

AP Macroeconomics
Mr. Fullington
New Ideas From Dead Economists Summer Reading

Read chapters 2, 4, 7, 9, 10 and 12 from Todd Bucholz's work "New Ideas from Dead Economists". Then write a short analysis of each chapter focusing on the economic concepts identified below for each chapter. Each analysis should be kept separate and identified based on each chapter. Direct quotes should be avoided and instead replaced with your interpretation of the concepts presented. Each page should be typed in 12 point Times New Roman font, have 1" margins all the way around (as this paper is typed), and contain a descriptor in the upper right hand corner of the header that includes your last name and chapter being written about (see the header for this paper). This assignment is due the first day of classes and is worth 300 points toward your grade. If you need to contact me I can be reached at mike_fullington@ccps.k12.fl.us
Have a great Summer!

Chapter 2: Adam Smith

The Role of Government in the Economy
The Invisible Hand (Carving the Vulture)
The Pin Factory
Absolute Advantage

Chapter 4: David Ricardo

Comparative Advantage; Gilligans Island
Lincolns Trade Paradox
Ricardo V. Malthus on recessions and depressions (Say's Law)

Chapter 7: Alfred Marshall

Economic Time: Short Run and Long Run..... Yuppie Yogurt
Marginal Utility; Yuppie Debbie
Law of Supply and Demand: Blades of a scissors
Elasticity

Chapter 9: Keynes

What does it mean to be a Keynesian?
What two economic beliefs does Keynes attack?
What are MPC and the multiplier and how do they affect national income?
What role does the government play and how is this a change in concept?

Chapter 10: The Monetarists

How do the Monetarists and Keynes differ?
How is the national income like an automobile?
Why is velocity important?
How does the Federal Reserve manipulate the money supply?
How does $MV=PQ$ apply to inflation?

Chapter 12: Rational Expectations

How do Rational and Adaptive expectations differ?

Explain the Efficient Market Hypothesis.

What is the Rational Expectationists view of government involvement and tax cuts?

What is the primary criticism of the Rational Expectationists view?