Wilbraham & Monson Academy
AP Macroeconomics - 2022
Summer Reading and Assignment

Book:

Levitt, Steven D. and Stephen J. Dubner. *Freakonomics*. Harper Perennial, 2009.

Overview:

In *Freakonomics*, economist Steven D. Levitt explores atypical questions using the conventional understanding that "economics is, at root, the study of incentives," and economic tools to analyze and reach conclusions that counter conventional wisdom. This book is a great way for students to see how the skills they will learn in AP Macroeconomics can be used and applied to answer many questions in a variety of contexts.
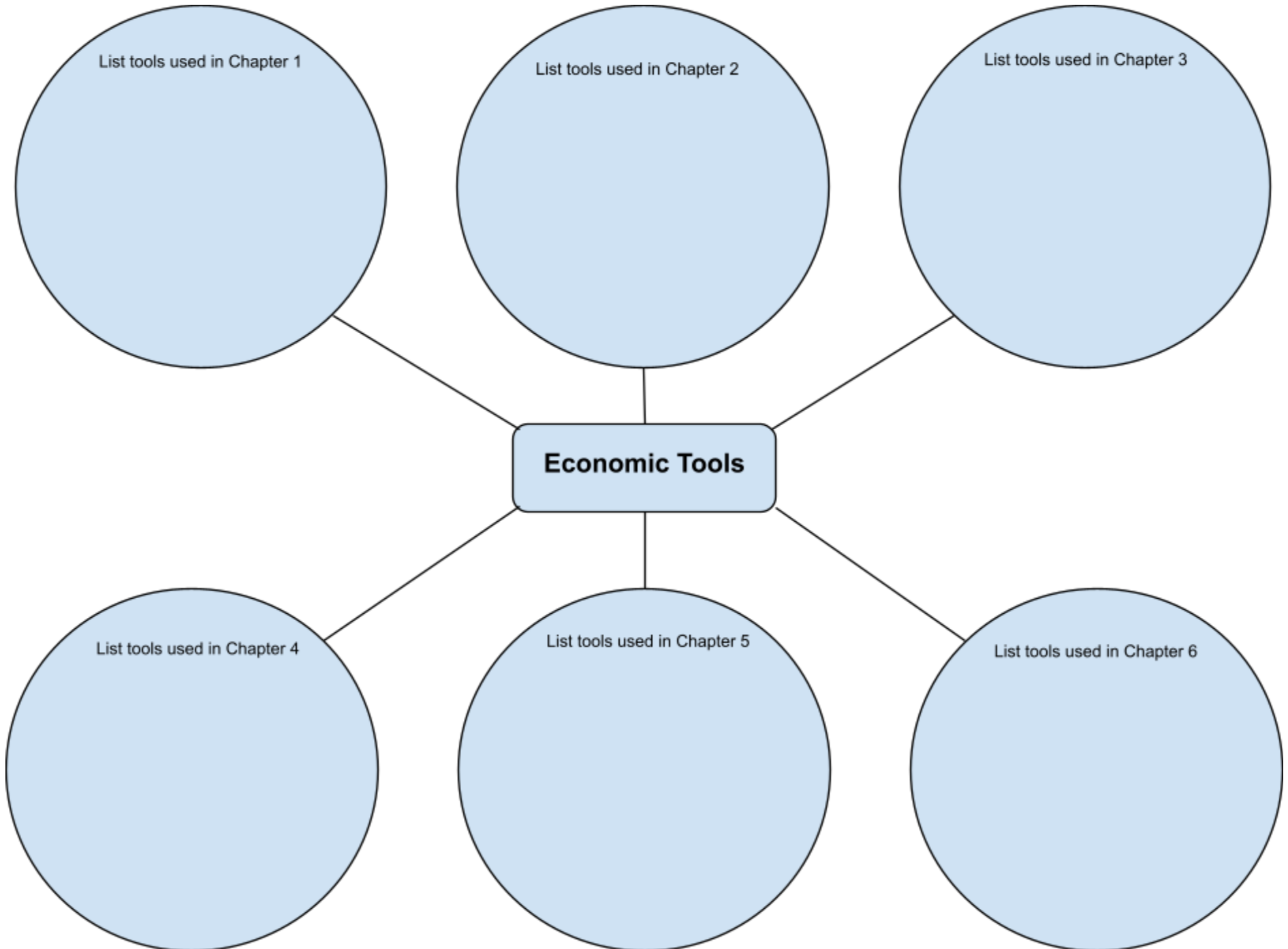
Objectives:

- Identify <u>economic tools</u> used by Levitt to analyze the questions he is seeking to answer in each of the chapters. (Graphic Organizer #1)
- Identify <u>incentives</u> that Levitt shows in each of the chapters in *Freakonomics* that influence people's behaviors and choices. (Graphic Organizer #2)
- Briefly and clearly answer each question, which is the title of each chapter. (Graphic Organizer #3)
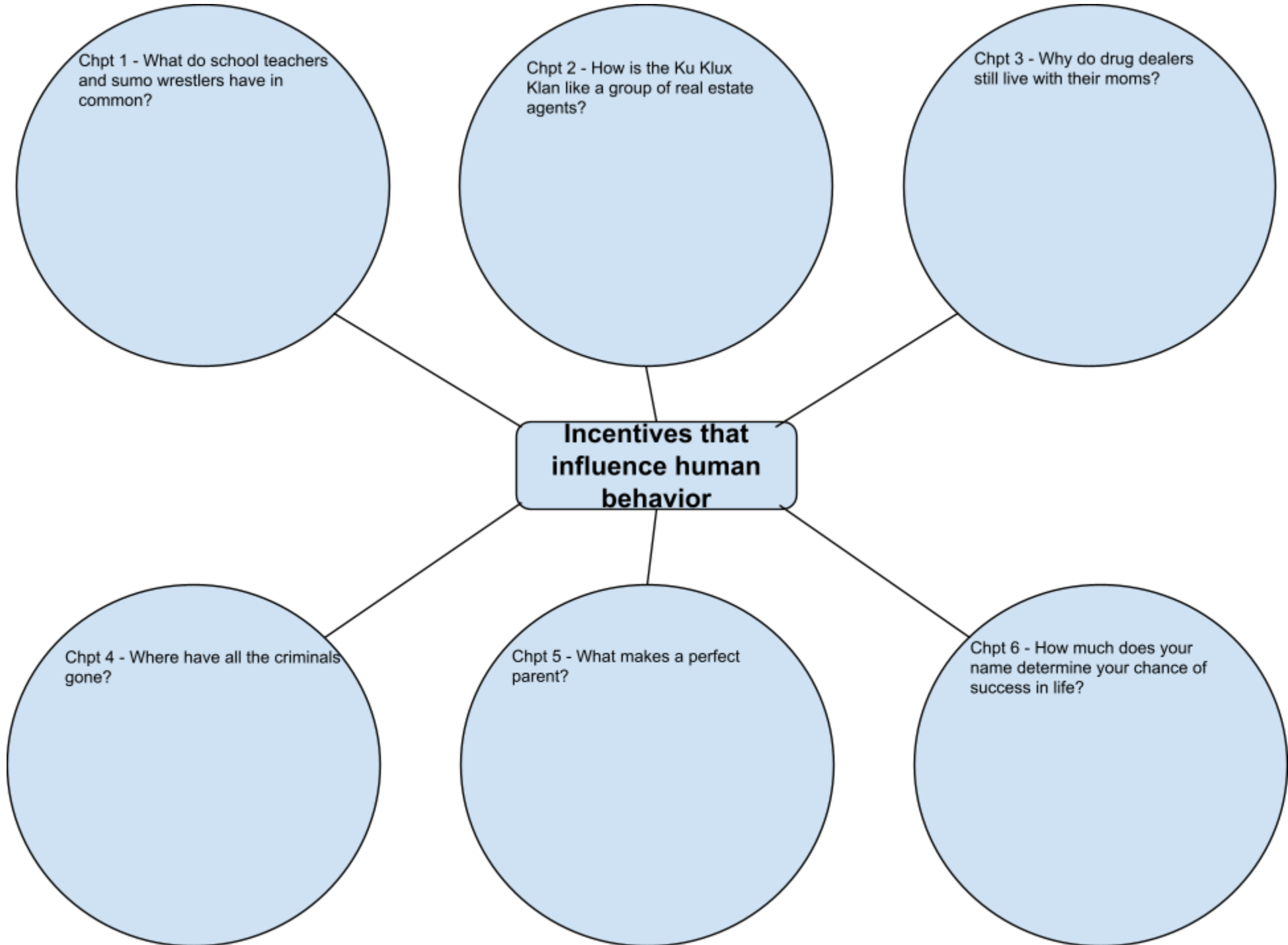
Assignment:

- Complete the attached three graphic organizers that will serve as your reference tools for in-class assignment and discussions during the first week of class.

Directions: Identify the "economic tools" used by Levitt in Freakonomics to analyze his questions and defend his answers from above. Examples of economic tools include: Anecdotes, Interviews, Analysis of collected data, Analysis of historical data, events and trends, and others. Some specific examples of tools are Venkatesh's data, the Israeli day-care study, and the CA database of child names. Your examples must be specific. You may not simply generically list anecdotes, interview, data, ect. (Bryan Corrigan, Belmont High School)

List tools used in Chapter 1

List tools used in Chapter 2

List tools used in Chapter 3

Economic Tools

List tools used in Chapter 4

List tools used in Chapter 5

List tools used in Chapter 6

Throughout Freakonomics, Levitt and Dubner show that economics is, at root, the study of *incentives*—how people get what they want, or need, especially when other people want or need the same thing. In each chapter, identify 2 or 3 examples of *incentives* that influence people's behavior and the choices they make. Each example must be a complete sentence.

Chpt 1 - What do school teachers and sumo wrestlers have in common?

Chpt 2 - How is the Ku Klux Klan like a group of real estate agents?

Chpt 3 - Why do drug dealers still live with their moms?

Incentives that influence human behavior

Chpt 4 - Where have all the criminals gone?

Chpt 5 - What makes a perfect parent?

Chpt 6 - How much does your name determine your chance of success in life?

Answer the questions in the circles in 2 to 3 sentences using information from Freakonomics. (Bryan Corrigan, Belmont High School)

Chpt 1 - What do school teachers and sumo wrestlers have in common (mention: *incentives*)

Chpt 2 - How is the Ku Klux Klan like a group of real estate agents (mention: *information*)

Chpt 3 - Why do drug dealers still live with their moms (mention: *tournament of life*)

Freakonomics

Chpt 4 - Where have all the criminals gone? (mention: *conventional belief as well as Levitt's belief*)

Chpt 5 - What makes a perfect parent? (mention: what matters and what doesn't matter)

Chpt 6 - How much does your name determine your chance of success in life?