

AP Economics – AP Micro & AP Macro Summer Assignment and Materials

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INTRODUCTION

Economics is the study of the costs and benefits of human decision-making. In AP Microeconomics, students will focus on the process of decision-making by individual households and businesses (“firms”); in AP Micro, students will study product markets, resource markets, and market failures. In AP Macroeconomics, students will focus on the economy as a whole; in AP Macro, students will learn how to measure the collective (“aggregate”) domestic economy and explore theories on how financial institutions and governmental entities can influence economic activity.

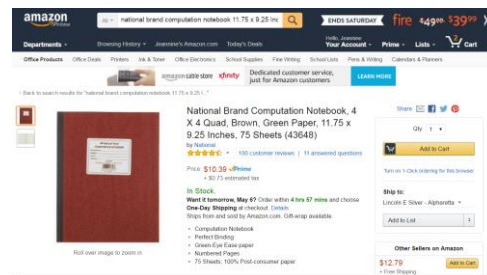
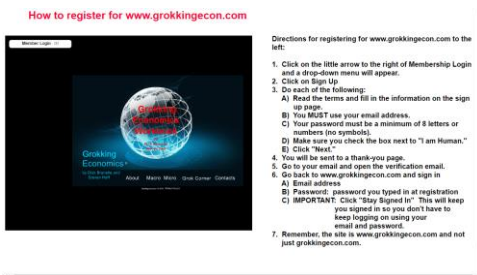
SUMMER ASSIGNMENT RUBRIC ON PAGES 2-4

The Summer Assignment will introduce students to the “economic way of thinking” vis-à-vis an interactive online game called “The Settlers of Catan”. In the game, students will explore the *governing dynamics of interdependent decision-making*; through analysis, students will learn how economists determine the rationality of an economic decision.

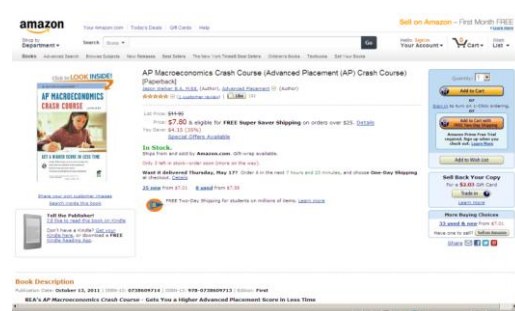
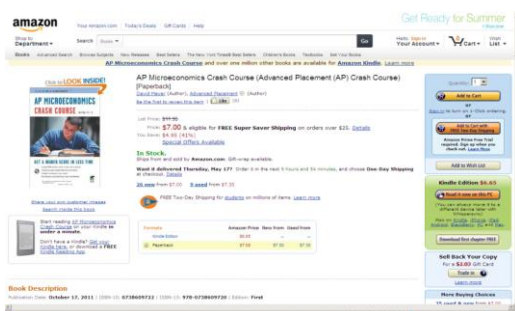
MATERIALS FOR FALL SEMESTER

The materials, below, will be invaluable in helping AP Economics students learn faster (less reading), retain longer (less studying), and score higher (less stress) in both AP Micro and AP Macro. I highly recommend these items, and strongly encourage students to purchase them as an investment in your future success! *You will be glad you did!*

1. **Website subscription, Register at> <http://www.grokkingecon.com/registration.html> [\$35];**
The website, www.grokkingecon.com, is an immersive, interactive website that contains all of the activities, simulations, practice quizzes and tests, lessons and tutorials that students will need to maximize performance in both courses - AP Micro & AP Macro. You will also have free access to the sister-site, reffeconomics.com.
2. **National Brand Computation Notebook, 4 X 4 Quad, Brown, Green Paper, (Model #43648) [\$11];**
11.75 x 9.25 Inches, 75 Sheets, 150 numbered pages; product by National



3. **AP Microeconomics Crash Course (Advanced Placement (AP) Crash Course) [\$8];**
David Mayer (Author); **Publisher:** Research & Education Association;
First edition (October 17, 2011) **ISBN-10:** 0738609722; **ISBN-13:** 978-0738609720
4. **AP Macroeconomics Crash Course (Advanced Placement (AP) Crash Course) [\$8];**
Jason Welker B.A. M.Ed. (Author); **Publisher:** Research & Education Association;
First edition (October 13, 2011); **ISBN-10:** 0738609714; **ISBN-13:** 978-0738609713



AP ECONOMICS SUMMER ASSIGNMENT – Game Download Instructions on Edmodo!!!

1. Join “AP Economics Summer 2017” on Edmodo. Edmodo class code: **6i93ys**
2. Go to Folders on Edmodo and click on “The Settlers of Catan” Folder
3. Open the document, titled “STEAM and Catan Download Instructions”.
4. Follow the step-by-step instructions to download the ‘STEAM’ online gaming browser, and ‘Catan Universe’ game app.

WHAT DO I HAVE TO DO FOR THIS SUMMER ASSIGNMENT?

After downloading the ‘Steam’ gaming browser and Catan Universe app, you will be playing an online version of an award-winning board game, called “The Settlers of Catan”. At first, you will play against AI computer players of varying skill levels; then, you must compete against other AP Economics students. As you compete, you will be required to document your gameplay (using screenshots) for your Summer Assignment. You will then analyze your gameplay and decision-making during the game. Your analysis will include annotations (by adding textboxes to your screenshots), descriptions of game scenarios, explanations of ‘economic postulates’ (more on that later), and making connections between economic concepts and gameplay scenarios.

HOW DO I LEARN HOW TO PLAY THE GAME?

“Catan” is easy to learn on the ‘Catan Universe’ game app, which includes an interactive tutorial. The tutorial walks you through the process of playing a game against AI computer players. Truly, my 10 year-old nephews learned how to play using this tutorial.

WHY IS THIS SUMMER ASSIGNMENT SO DIFFERENT FROM MY OTHER CLASSES?

Economics is the study of how individuals, businesses, governments, and society as a whole make decisions regarding how to use scarce resources in an attempt to satisfy unlimited wants. In “Catan”, you will have to make decisions regarding how to collect and trade for scarce resources (brick, grain, ore, wool), determine which resources to use and which to save, and decide how to allocate those resources to build roads, construct settlements, develop cities, raise an army, or pursue other means to earn points. By playing the game, taking screenshots to document your play, and analyzing choices you must make during gameplay, you will begin the process of learning how to think like an economist. In brief, “Catan” is the ultimate laboratory for analyzing decision-making.

IF I HAVE THE BOARD GAME, CAN I PLAY LIVE GAMES WITH OTHER AP ECON STUDENTS?

Yes! Students who own the board game may opt to play live games with other AP Economics students, rather than playing the game online. However, each student is responsible for documenting with photos his/her own gameplay; so, if you choose to play live games, be sure that each person takes many pics. You may want to use brief videos to narrate the situation so that you can remember what was happening for when you write up your analysis later on while sitting at your computer.

WHAT ARE THE STEPS I MUST FOLLOW WHEN I WRITE MY “SUMMARY ANALYSIS”?

You will document and analyze TEN (10) unique situations you encounter during gameplay; these can be from one game, or several different games. Each analysis must include a unique screenshot/pic, textboxes, and 250-350 words total (including textboxes).

1. Copy/Paste (onto a word document) a unique screenshot/pic of a specific situation you encountered during game play.
 - a. You will annotate and make reference to this picture in your Summary Analysis (**see page 4 for example**).
2. Copy /Paste (below the screenshot/pic) one of the “Economic Postulates” (lettered **a.**, **b.**, **c.**, etc. on the **next page**).
Your gameplay experience will prove the rationality of the postulate (think, “That’s just like what happened when...”).
 - a. You must use at least one postulate from each of the six categories (I.-VI.) (**see page 4 for example**).
 - b. You must use TEN (10) different postulates, each used in conjunction with a unique situation and screenshot/pic.
3. **In your own words**, write a brief explanation of what the economic postulate means (“POSTULATE MEANING”).
 - a. Typically, it will take 50-100 words to explain the meaning of the postulate (**see page 4 for example**).
4. Next, annotate specific parts of the screenshot/pic, by using textboxes and arrows (**see page 4 for example**).
 - a. Typically, it will take 50-100 words in 3-5 textboxes to describe the situational context of the picture.
5. Finally, ***make the connection between the postulate and the situation*** by describing how events, decisions, strategies, etc. (referenced in the pic) serve as anecdotal evidence that ‘proves’ the postulate (“SITUATION PROVES THE POSTULATE”).
 - a. Typically, it will take 150-200 words to explain how the situation proves the postulate (**see page 4 for example**).
6. Each of the ten (10) analyses must be on its own separate page, with your name (last, first) and Player ID in the upper left.
7. **Save the document as a PDF file.**
 - a. **Title the PDF file as follows:** lastname_firstname_APEconSA2017
8. Go to Edmodo “AP Economics Summer 2017”; Edmodo class code: **6i93ys**
 - a. Click on “Assignment” tab
 - b. Submit the PDF file in the appropriate Summer Assignment, based on the Due Date
 - i. “EARLY Summer Assignment Submission (June 1-July 16)
 - ii. “ON-TIME Summer Assignment Submission (July 17-August 7)
 - iii. “LATE Summer Assignment Submission (August 8-August 13)

Economic Postulates

Economic Postulates: Statements which economists accept as truisms, supported by anecdotal observation.

- I. People choose to do the things they **believe** are best for them.
 - a. We live in a world where we can't have everything we want.
 - b. Resources, goods, services, time, and money are scarce, so we have to make choices.
- II. Choices have costs – opportunity costs.
 - c. It is the inevitable nature of *choice* that we give up the opportunity to have something else when we choose.
 - d. It is as important to examine what we forgo, as well as what we will get if we choose one alternative over another.
- III. People respond in predictable ways.
 - e. Rational people seek positive rewards.
 - f. Rational people seek to avoid negative consequences.
- IV. People create economic systems that influence choices and incentives.
 - g. A society's economic system organizes the production, distribution, and consumption of goods and services.
 - h. How people work together in an economic system is governed by both written and unwritten rules.
 - i. When rules change, incentives change; when incentives change, choices change.
- V. Voluntary trade creates wealth.
 - j. People tend not to enter into transactions that they believe will make them worse off, rather than better off.
 - k. People can produce more in less time by concentrating on what they do best.
 - l. Specialization based on comparative advantage combined with voluntary trade results in increased total output.
- VI. The consequences of choices lie in the future.
 - m. We cannot change the past but we can influence the future.
 - n. Every choice or decision we make is based on prediction of what the benefit and cost of our alternatives will be.
 - o. The more information we have about alternatives, the better our predictions tend to be.

HOW IMPORTANT IS THE SUMMER ASSIGNMENT – HOW MUCH WILL IT AFFECT MY AVERAGE?

The AP Economics Summer Assignment is essential for developing the conceptual framework that is unique to the field of Economics; at the same time, the unique format is designed to create a common experience to serve as a frame of reference that is shared by each one of my students. The importance of the Summer Assignment is matched by how heavily it is weighted (7% of your fall semester average). **The importance of getting started early is matched by the 10 bonus points for "Early Submissions".**

HOW WILL THE SUMMER ASSIGNMENT BE SCORED?

A Summary Analysis must be written for TEN (10) of the lettered economic postulates. Each Summary Analysis that does not meet the minimum standards for the assessment in terms of structural criteria, content, documentation, length, and/or quality, will result in a 10 point reduction in earned score. In other words, a Summary Analysis must be perfect to earn the 10 points!

WHAT SHOULD I DO IF I HAVE QUESTIONS OR ENCOUNTER PROBLEMS?

If you have any questions, or encounter problems, please email Mr. Silver at: silverl@fultonschools.org. Please allow 48-72 hours for a reply. I suggest you **begin work immediately** so that you can get an idea of the type(s) of questions or problems you may encounter. **NOTE:** My accessibility (or lack thereof) is not a variable that will change a student's grade for the Summer Assignment.

AP Econ Students,

I hope you all have a wonderful summer! It may be the last summer you will ever experience basking in the sedate world of economic ignorance. See you on the Island of Catan!

*Stay safe.
Mr. Silver*

P.S. Beware the Robber!



(Example of properly formatted Summary Analysis - random screenshot)

Student: Smith, John T.

Player ID: "Road Kill"



k. People can produce more in less time by concentrating on what they do best.

POSTULATE MEANING:

All people, businesses, and societies have different levels of skills, production capabilities, and/or amounts of resources. Competitors must assess their relative advantages and disadvantages to determine what they should focus on doing; thus, competitors can achieve their particular desired results faster and at a lower cost relative to others. By focusing on activities we do better than other people, we are able to produce more than others.

SITUATION PROVES THE POSTULATE:

[I am **BLUE**], my settlements touched wood and brick resource hexes with numbers 6 and 8, respectively. Since 6 & 8 are rolled often, that gave me an advantage building roads (1 brick + 1 wood = 1 road segment). RED Player & WHITE Player also had settlements on wood and brick, but they faced scarcity of space to extend their roads. RED & WHITE had an ore hex with a 6 (covered by the Robber in pic), and YELLOW Player had good numbers for grain, but grain and ore are not used to build roads. So, because of scarcity of space and no good places to build settlements in the East, I concluded my competitors would concentrate on building cities, rather than attempt to build the "Longest Road".

People can produce more in less time by concentrating on what they do best. At this stage of the game, I decided to concentrate on building more roads, since that is what I could do better than any other player. I concentrated on extending my road along the Southwest coast, and eventually took the "Longest Road" from RED, which earned me 2 Victory Points! To make sure I would remain the best road-builder, I used my "Year of Plenty" Development Card to build a settlement on the last remaining 3-resource location to block WHITE from extending her road to the North.