2026 AP Macroeconomics Summer Reading and Assignment

Overview: This assignment focuses on the "Macro" level, the study of the economy as a whole. You will explore the world's economic history." This exploration will take you through the history of human progress through an economic lens. You will learn about the economic forces and the economic thinkers behind the ideas that have shaped the world we know today.

Learning Outcomes:

- Identify and define macroeconomic concepts and terms.
- Begin to explore the Big Ideas we will study in this course:
    - Economic Measurements
    - Markets
    - Macroeconomic Models
    - Macroeconomic Policies

Macroeconomics Concepts, Terms, and People Bank (Look for these!):

Aggregate Demand/Supply	Capital Flows	Capitalism
Central Banks/Federal Reserve	Circular Flow of Income	Command Economy
Comparative Advantage	Consumer Spending	Consumer Surplus
Deflation	Economic Growth	Economic Output
Employment	Exchange Rates	Fiscal Policy
Foreign Investment	Free Markets	Free Trade
Full Employment	Globalization	Gold Standard
Government Debt	Government Spending	Great Depression
Hayek, Friedrich von	Hyperinflation	Incentives
Income	Inflation	Interest Rates
Keynes, John Maynard	Labor Market	Macroeconomics
Market Equilibrium	Microeconomics	Monetary Policy
Money	National Income	Opportunity Cost
Prices	Productivity	Quantitative Easing
Rate of Return on Capital Investment	Recessions	Smith, Adam

Specialization	Standard of Living	Supply and Demand
Tarrifs	Taxation	Technological Innovation
Trade	Trade-offs	Unemployment
Unions	Wages	World Trade Organization

The Assignment (READ CAREFULLY):

1. **Purchase the book**, Leigh, Andrew. How Economics Explains the World: A Short History of Humanity. Mariner Books, 2024. ISBN-13: 978-0063383784
2. **Read and annotate the book**.
3. **Expectations when you annotate:**
    a. In your book, clearly identify the concepts, terms, and people from the bank above. Take notes in the margin connecting the economic history with the concept/term/person you identified.
    b. Use symbols and/or words to show your thinking process while you actively read. Some suggestions include:
        i. Reaction Words like "Confusing," "Important," "Interesting," "Surprising".
        ii. Analytical Terms like "Evidence," "Example," "Definition," "Contrast," "Cause/Effect".
        iii. Connection Labels like "Same as...", "Reminds me of...", "Real-world example".
        iv. Summary like a 3-5 word summary of an important paragraph.
4. **Assignment deliverables:**
    a. You will receive a grade for your book annotations. I will only accept annotations in a physical copy of the book. I will not accept notes in any document, handwritten or digital.
    b. You will be assessed either on the first or second day of class. You will be permitted to use your book and the annotations you recorded. Your annotations will be important for this assessment, so make sure you do them well, and you review them leading up to the first day of classes.