

Summer Assignment for IB Economics

Summer 2018

Dale - dalec@fultonschools.org

This summer, you will have the immense pleasure of reading the widely acclaimed book **Freakonomics**, by Steven D. Levitt and Stephen J. Dubner. The summer assignment for International Baccalaureate Economics is designed to introduce you to some of the basic principles underlying the field of Economics. You will experience familiar topics through a radically different lens, which is, in a nutshell, what this course is aimed at equipping you to do. I am fully confident that anyone who has ever been curious about the manner in, and methods by, which the world around them works will thoroughly enjoy this reading.

To give you guidance, I have outlined the assignment below. Please follow it carefully, as a failure to do so will result in losing points you would have otherwise earned (this is preparing you for answering IB-style short answer questions). All assignments must be typed and submitted to me on the first day of class. This assignment will be worth 5% of your final course grade.

Format for the assignment:

Title of Book and author name(s)

Thesis - In one sentence, summarize the overarching thesis of the book.

Response - In 2-3 paragraphs, answer the following questions:

- Which chapter did you find the most intriguing? What about that chapter engaged you? Why do you think the information resonated so deeply with you?
- Which chapter did you find the least interesting? Why do you think that was?
- Which chapter did you disagree with the most? What about that chapter, do you think, elicited such strong feelings from you?

Free Response Questions - Answer each of the following questions (1 from each chapter) in one *well-written* paragraph.

1. How has a well motivated and seemingly benign government requirement to administer standardized tests to grade school students had unintended and malicious consequences? Can you think of other examples of government regulations that were imposed to achieve one goal but have had unanticipated consequences?
2. Provide examples that illustrate how the combination of an information asymmetry and fear can lead to inefficient outcomes. Explain how the introduction of the element of fear makes the problem of the information asymmetry even worse.
3. What are monthly costs incurred by J.T.'s unit of the Black Disciples? Which costs would be considered fixed costs? Which would be considered variable costs?
4. Summarize the argument by Donahue and Levitt regarding the relationship between the drop in crime in the 1990s and the legalization of abortion as a result of Roe v.Wade. Your summary should focus on such factors as the characteristics of the average criminal (e.g., average age, home life), what happened in states that legalized abortion prior to the decision in Roe v.Wade, and the type of woman who is likely to take advantage of Roe v.Wade.
5. According to the data developed from the ECLS, a low birth weight is correlated with lower test scores on standardized tests, but the attendance by a child in the Head Start program is not. If you were a government official with limited financial resources, how would this inform your decisions regarding the allocation of government funds?
6. Explain what Roland G. Fryer was trying to get at when he decided to explore the following question: is distinctive black culture a cause of the economic disparity between blacks and whites or merely a reflection of it?

As you read, it will be helpful for you to follow along with the Student Guide. This guide will be extremely useful in helping to connect the reading to specific Economic concepts that we will be studying in class. You can find the guide by clicking on this link: <http://bit.ly/2rtJhLh>