



AP[®] Macroeconomics 2013 Scoring Guidelines

The College Board

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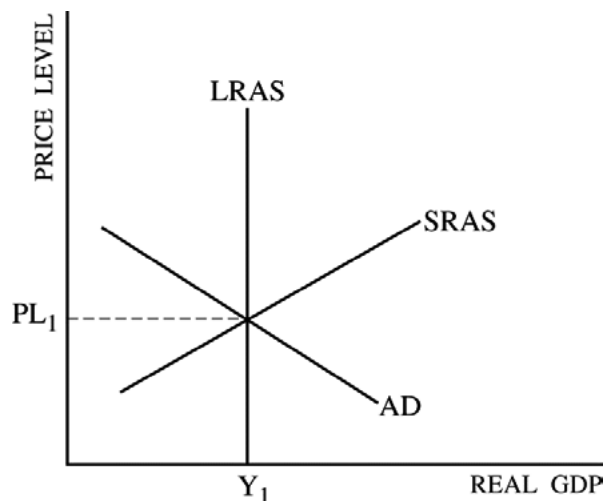
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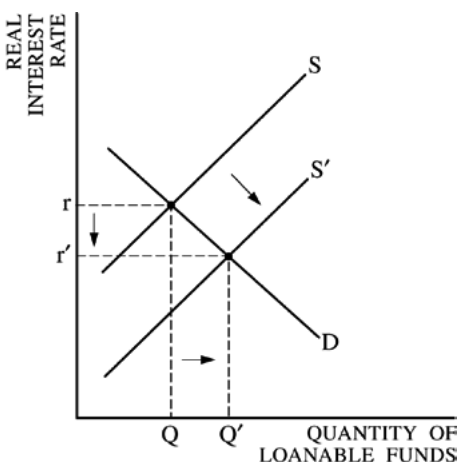
Question 1

10 Points (2 + 2 + 2 + 3 + 1)



(a) 2 points:

- One point is earned for drawing a correctly labeled graph, showing AD, SRAS, and PL_1 .
- One point is earned for drawing a vertical LRAS curve at Y_1 that is at the intersection of AD and SRAS.



(b) 2 points:

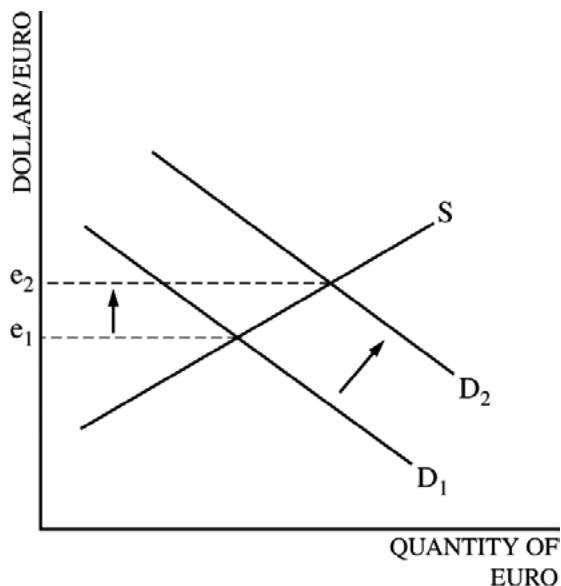
- One point is earned for drawing a correctly labeled graph of the loanable funds market.
- One point is earned for shifting the supply curve to the right and showing a decrease in real interest rate.

(c) 2 points:

- One point is earned for stating that interest-sensitive expenditures will increase.
- One point is earned for stating that the economic growth rate will increase because higher investment will increase capital formation.

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Question 1 (continued)



(d) 3 points:

- One point is earned for drawing a correctly labeled graph of the foreign exchange market for the euro.
- One point is earned for shifting the demand curve to the right and showing an increase in the value of the euro.
- One point is earned for explaining that the demand for the euro increases because the higher real interest rate in the euro zone leads to higher returns for financial investments in the euro zone, attracting funds from the United States to the euro zone.

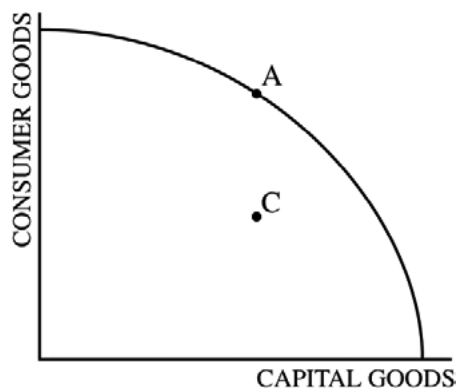
(e) 1 point:

- One point is earned for stating that United States current account will be in surplus.

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Question 2

5 points (1 + 1 + 1 + 1 + 1)



(a) 1 point:

- One point is earned for answering both goods.

(b) 1 point:

- One point is earned for showing point A on the production possibilities curve.

(c) 1 point:

- One point is earned for showing point C inside the production possibilities curve.

(d) 1 point:

- One point is earned for identifying an expansionary fiscal policy, such as increasing government spending or decreasing taxes.

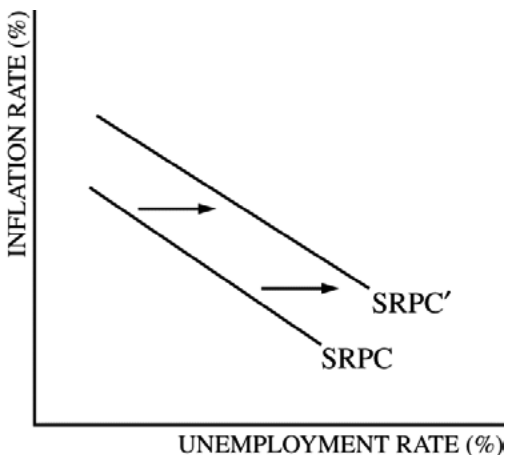
(e) 1 point:

- One point is earned for stating that SRAS will increase because wages and some other production costs decrease during a recession.

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Question 3

6 points (1 + 1 + 1 + 2 + 1)



(a) 1 point:

- One point is earned for drawing a correctly labeled graph of the short-run Phillips curve.

(b) 1 point:

- One point is earned for shifting the short-run Phillips curve to the right.

(c) 1 point:

- One point is earned for stating that the increase in expected inflation does not affect the long-run Phillips curve.

(d) 2 points:

- One point is earned for stating that the nominal interest rate will increase.
- One point is earned for stating that the real interest rate will remain unchanged.

(e) 1 point:

- One point is earned for calculating the real interest rate: $8\% - 3\% = 5\%$.