



AP[®] Macroeconomics 2010 Scoring Guidelines Form B

The College Board

The College Board is a not-for-profit membership association whose mission is to connect students to college success and opportunity. Founded in 1900, the College Board is composed of more than 5,700 schools, colleges, universities and other educational organizations. Each year, the College Board serves seven million students and their parents, 23,000 high schools, and 3,800 colleges through major programs and services in college readiness, college admission, guidance, assessment, financial aid and enrollment. Among its widely recognized programs are the SAT[®], the PSAT/NMSQT[®], the Advanced Placement Program[®] (AP[®]), SpringBoard[®] and ACCUPLACER[®]. The College Board is committed to the principles of excellence and equity, and that commitment is embodied in all of its programs, services, activities and concerns.

© 2010 The College Board. College Board, ACCUPLACER, Advanced Placement Program, AP, AP Central, SAT, SpringBoard and the acorn logo are registered trademarks of the College Board. Admitted Class Evaluation Service is a trademark owned by the College Board. PSAT/NMSQT is a registered trademark of the College Board and National Merit Scholarship Corporation. All other products and services may be trademarks of their respective owners. Permission to use copyrighted College Board materials may be requested online at: www.collegeboard.com/inquiry/cbpermit.html.

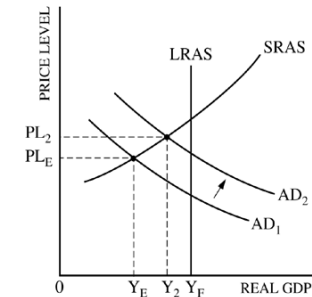
Visit the College Board on the Web: www.collegeboard.com.

AP Central is the official online home for the AP Program: apcentral.collegeboard.com.

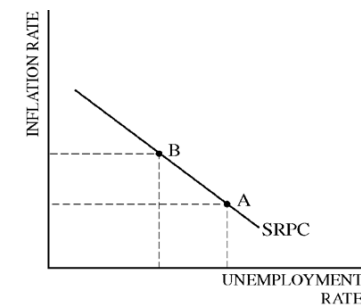
AP[®] MACROECONOMICS 2010 SCORING GUIDELINES (Form B)

Question 1

10 Points (2 + 2 + 2 + 2 + 2)



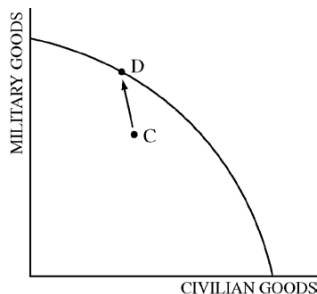
- (a) 2 points:
- One point is earned for a correctly labeled AD/AS graph with vertical LRAS at Y_F .
 - One point is earned for showing equilibrium output and price level to the left of Y_F .
- (b) 2 points:
- One point is earned for showing a rightward shift of the AD curve.
 - One point is earned for showing the new equilibrium output and price level.



- (c) 2 points:
- One point is earned for a correctly labeled graph of the short-run Phillips curve.
 - One point is earned for correctly labeling points A and B on the SRPC that indicate a leftward movement along the SRPC.
- (d) 2 points:
- One point is earned for stating that the real interest rate will rise.
 - One point is earned for the explanation that government borrowing increases the demand for loanable funds.

**AP[®] MACROECONOMICS
2010 SCORING GUIDELINES (Form B)**

Question 1 (continued)



(e) 2 points:

- One point is earned for a correctly labeled production possibilities curve.
- One point is earned for labeling points C and D, showing a movement toward the curve and an increase in military goods.

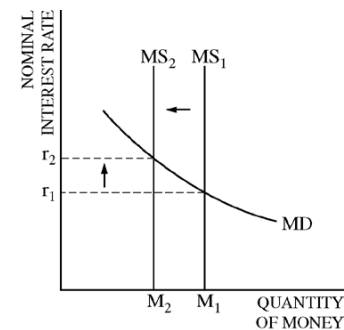
**AP[®] MACROECONOMICS
2010 SCORING GUIDELINES (Form B)**

Question 2

7 points (1 + 2 + 3 + 1)

(a) 1 point:

- One point is earned for stating that bank loans will decrease.



(b) 2 points:

- One point is earned for a correctly labeled graph of the money market.
- One point is earned for showing a leftward shift of the MS curve and an increase in the nominal interest rate.

(c) 3 points:

- One point is earned for stating that the price level will fall.
- One point is earned for stating that the real interest rate will rise.
- One point is earned for the explanation that with an increase in the nominal interest rate and a decrease in the price level, the real interest rate increases.

(d) 1 point:

- One point is earned for stating that the ono will appreciate, because the increase in the demand for Sewell's financial assets causes an increase in the demand for the ono.

AP[®] MACROECONOMICS
2010 SCORING GUIDELINES (Form B)

Question 3

4 points (1 + 1 + 1 + 1)

(a) 1 point:

- One point is earned for stating that real GDP will fall and the price level will rise, because the increase in the price of oil raises input costs and causes the short-run aggregate supply curve to shift to the left.

(b) 1 point:

- One point is earned for stating that real GDP will rise and the price level will fall, because the increase in labor productivity reduces unit input costs and causes the short-run aggregate supply curve to shift to the right.

(c) 1 point:

- One point is earned for stating that real GDP will rise and the price level will rise, because the increase in spending causes the aggregate demand curve to shift to the right.

(d) 1 point:

- One point is earned for stating that real GDP will rise and the price level will rise, because the depreciation of the currency will cause net exports to rise and the aggregate demand curve to shift to the right.