

Topic 1.1: Scarcity

LO: MOD-1.A | Skill: 1.A | Portfolio: Advisor Memo 1

AP-Style Mini Free-Response Question

Format: Short Free-Response (Concept & Explanation) • Suggested time: 10 min • Skill 1.A • Homework

FRQ FORMAT PRACTICE

The AP Macroeconomics exam has three free-response questions: one long (10 pts) and two short (5 pts each). This mini-FRQ practices the short format — define, identify, and explain. Graphing tasks appear later as your Graph Bank grows.

Scenario

Calderia is a small country with rich volcanic soil, about 3 million workers, and a limited supply of construction equipment. This year its government has enough equipment and workers to build EITHER a national highway OR a network of irrigation canals for farms — but not both.

Prompt

Respond to each part. Use specific evidence from the scenario.

- 1 **Define** scarcity, and **explain** how Calderia's situation illustrates it.
- 2 **Identify** the four economic resources, and give one Calderia example of each.
- 3 **Identify** the opportunity cost if Calderia builds the highway, and **explain** what 'opportunity cost' means.
- 4 **Explain** why a larger government budget would not, by itself, free Calderia from having to make this kind of choice.