
Advanced Placement Microeconomics

Course: AP Microeconomics
Instructor: Mr. David Nach (dnach@tuhsd.k12.az.us)
Texts : Economics Today, 12th edition Naked Economics
 Author: Roger LeRoy Miller Author: Charles Wheelan
 ISBN: 0321200527 ISBN: 0393324869

What is Microeconomics:

Microeconomics is the branch of economics concerned with the decisions made by individuals, households, and firms and how these decisions interact to form the prices of goods and services and the factors of production.

Introduction:

An introductory course in Microeconomics is one semester in length. While touching on some macroeconomic concepts, this course is designed to prepare you to succeed on the AP Microeconomics exam only. You may still take the AP Macroeconomics exam, but this class is designed to prepare you only for the Microeconomics exam.

The AP Microeconomics exam:

The AP Microeconomics Exam is a little over two hours long. The exam consists of :

- * 70-minute multiple-choice section (*worth 2/3 of the total grade*)
- * 60-minute free-response section (*worth 1/3 of the total grade*).
 - Mandatory 10 minute “reading period”
 - 50 minute answer period

* Some questions in the free-response section require graphical analysis (you will be learning how to interpret, draw, and accurately label all of the graphs that could be presented on the exam).

* The free-response section begins with a mandatory 10-minute reading period. During this period, students are advised to read each of the questions, sketch graphs, make notes, and plan their answers. Students then have 50 minutes to write their answers. The multiple-choice section accounts for two-thirds of the student’s exam grade and the free-response section for the remaining one-third.

Curriculum Alignment:

A typical unit includes taking notes from lecture/discussions, outlining the chapter in standard outline form, completing chapter packets, practicing examples of terms and topics, reviewing information in class and for homework, and assessing student achievement.

Assignments:

A mixture of assignments will be given throughout the semester. The assignments will focus the students' attention on the information required for the course. Each semester, the types of assignments include the following:

1. Class Participation
2. Classwork
3. Simulations
4. Projects
5. Outlines
6. Chapter packets
7. Presentations
8. Quizzes
9. Tests
10. Reading Assignments
11. Reading Quizzes

Assignments are due on the date assigned by the teacher. Any assignments turned in after I have collected them will be worth half credit. For this Advanced Placement course, late credit will only be awarded for one day. I will not accept any late assignments after I have returned that assignment to the class. Failure to turn in a major assignment will seriously affect your grade.

Attendance and Make-up Work:

1. Attendance in class is crucial to doing well in these courses. The school policy on attendance will be followed. Excused tardies in excess of 10 minutes count as absences. If students are absent, they are responsible to find out what information and assignments they missed. Students who accrue more than 10 absences may be administratively dropped from the class.
2. Make-up tests - If a student is absent on a test day, he or she must make up the test outside of the class period. Tests must be made up during Academic Lab, before school, or after school. There are no retake exams for students who performed poorly on an exam.
3. All assignments, due dates, and outside materials (videos and additional reading / listening assignments) will be made available on **edmodo.com**.

Expectations:

1. Respect all people, property, and yourself. All other rules follow from this.
 - When one person is talking, everyone is listening. Only one discussion can go on at a time. No one puts down another's contributions.
 - We are guests in the school and in the room. We need to keep it clean, orderly, and the basic arrangement preserved. **Everyone** shares the responsibility for reordering the furniture, picking up messes, etc.
 - Take responsibility for your own education by coming to class everyday, on time and prepared to learn. If you are absent, get the work you missed.
2. Food and drink are to be left outside of the classroom. Only clear water is permitted inside.
*Exceptions only with medical request through the school nurse
3. Follow all school rules – including plagiarism, cheating, dress code, and technology privileges.

Class Schedule:

Mountain Pointe High School is now on a traditional schedule. Each class meets every day for 57 minutes, unless the school is on a special schedule (assemblies, early release, homeroom, etc...)

Structure of the Course:

- 1) The book is designed to accompany a survey course for both microeconomics and macroeconomics. We are only concentrating on the chapters designed specifically for Microeconomics. The book has separated the chapters that allow for full coverage of microeconomics. We will be focusing on those chapters and skipping the chapters specifically tailored to macroeconomics.
- 2) We will cover approximately one chapter per week, with the exception of the introductory material that will be covered in two weeks.
- 3) Each chapter (and hence each week) will require the following
 - a. A hand written outline of the chapter using standard outline formed.
 - i. Each heading and subheading must be listed exactly as it found in the text.
 - ii. Each topic must be summarized, and any examples must be mentioned.
 - iii. All graphs presented in the book must be reproduced in your own handwriting. This is done to get you familiar with drawing graphs, remembering the typical shapes of the various curves, and labeling the curves
 - iv. Chapter Outlines are usually due on Thursdays (this may be changed)
- 4) You are required to turn in analysis of a current event that pertains to microeconomics. You must submit a hard copy of the article (even if it is found on the internet) with your analysis. We will be using any extra time at the end of a period to present the articles. Each student will present one article

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- each 9-weeks. Be prepared to explain not only the event, but also how it ties into what we have learned in class. Each analysis is worth 25 points.
- 5) Beginning on the third week of class, you are required to read one chapter per week of Naked Economics. On Fridays, we will have a 10-15 question short answer / multiple-choice Naked Economics Quiz. Each quiz is worth 40 points.
 - 6) Each chapter has a packet that covers the concepts and requires you apply your knowledge through the creation and interpretation of graphs. The packet will be handed out when I introduce the new chapter, and it will usually be due on each Friday. The packets consist of fill-in questions, multiple-choice, True-False, short answer, and graphs. Each packet is worth the number of questions that are presented. Most have 75 questions and are therefore worth 75 points.
 - 7) Each Chapter will have a chapter quiz. These questions will be drawn from the materials provided by the publisher and from previously released AP Microeconomics exams. These quizzes will be multiple-choice, short-answer, and graphing questions. Each quiz is worth 50 points.
 - 8) Each Friday, you are responsible for the following:
 - a. Current Event Analysis is due; Be ready to present your current event
 - b. Take a Naked Economics Quiz from the chapter you just read
 - c. Chapter Packet is due; we will grade in class
 - d. Take the Chapter Quiz of the chapter we just covered
 - e. Current Event Analysis is due
 - 9) There will be 3 unit exams throughout the semester; they will cover multiple chapters and will also include material previously covered in the semester. The unit exams will mimic the style, wording, and content of the AP exam. Each Unit test is worth 250 points. There will be a multiple choice section, and a free-response section:
 - 10) Powerpoint presentations are available online from the publisher. I will be using these in class as my primary introduction of the material. You are encouraged to print these out and bring them to class. I encourage you to make additional notations on the paper as I stress certain points. In addition to the publisher provided Powerpoints, I have created my own Powerpoints that supplement the material and show how the concepts apply in “real-life.” You are responsible for both sets of Powerpoints, and this material will appear on quizzes and tests. I will make most of materials available on edmodo.com.
 - 11) Class activities are designed to reinforce the material covered in the course. Some activities may simply require active participation, others may require that you create a work-product (like a poster); others will require you to present in front of the class. These will be interspersed throughout the semester. Their point value will be determined by the amount of effort needed to complete the activity.
 - 12) My office hours are before and after school Monday through Thursday, and during Academic Lab. This is your opportunity to ask for assistance on understanding concepts, help on packets, and clarification of any material. It is also the time to make up any quizzes that you missed as a result of an absence. If you need to come on a specific day, please inform me in advance in person or via e-mail.
 - 13) The week’s expectations and schedule will be current, and can be accessed through my class website (edmodo.com). The current week’s schedule and the prior weeks’ schedules will be posted.
 - 14) Grades will be made available online.
 - 15) Tutorial websites will be linked on to my webpage to help you locate supplementary material that may be more suitable to your learning style. These will be available by concept, and they will be linked on my website. Many assignments are based on these tutorials.
 - 16) Video clips will be used in class. We will also watch short documentaries that highlight the information covered in class. We will take advantage of 3-5 minute CNN clips from the Internet to use as an introduction or a reinforcement of class material.
 - 17) Suggestion: Save *all* your papers and keep them where you can find them (i.e. in an economics notebook). I know that you will not go back and look at every assignment, but many of the papers will help you in preparing for examinations, especially graphing problems.
 - 18) This course is by nature very challenging because of the vast amount of material that is covered. The material and the graphing will be new to most of you, but you can “get the hang of it” in a very short time. I believe that you will find that concepts are inherently interesting, and it will help you understand your behavior and the behavior of others as you embark on the lifelong quest of maximizing your utility.

Grading Scale:

Grades are based on the total accumulated points from the assignments. Assignments are awarded variable points depending on length, and degree of difficulty. In general, essays, projects and unit exams are worth 100 points each; quizzes, class participation, and roles in debates are worth fewer points. The only safe way to insure that you earn a good grade is never to miss an assignment.

- 90-100% A
- 80-89% B
- 70-79% C
- 60-69% D
- <60% F

Quarter grades - Each quarter's grades are independently calculated. Marking period grades are not cumulative. Every quarter you start out with a grade of A and go from there. Use such a system to your advantage.

Semester Grades - Semester grades will be calculated based on percentages, rather than by the district grade matrix. Each quarter grade is worth 40%, and the final exam is worth 20% of the semester grade.

Scale: A = 89.5-100%; B = 79.5-89.4%; C = 69.5-79.4%; D = 59.5-69.4%; F = 0-59.4%

Course Outline

* Please note that the percentage following each major category represents the likely percentage of coverage on the AP exam. As a result, the class will focus approximately that amount of time and effort on these areas.

- I. Basic Economic Concepts (8–14%)
 - A. Scarcity, choice, and opportunity cost
 - B. Production possibilities curve
 - C. Comparative advantage, absolute advantage, specialization, and trade
 - D. Economic systems
 - E. Property rights and the role of incentives
 - F. Marginal analysis
- II. The Nature and Functions of Product Markets. (55–70%)
 - A. Supply and demand (15–20%)
 - 1. Market equilibrium
 - 2. Determinants of supply and demand
 - 3. Price and quantity controls
 - 4. Elasticity
 - a. Price, income, and cross-price elasticities of demand
 - b. Price elasticity of supply
 - 5. Consumer surplus, producer surplus, and market efficiency
 - 6. Tax incidence and deadweight loss
 - B. Theory of consumer choice (5–10%)
 - 1. Total utility and marginal utility
 - 2. Utility maximization: equalizing marginal utility per dollar

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- 3. Individual and market demand curves
 - 4. Income and substitution effects
 - C. Production and costs (10–15%)
 - 1. Production functions: short and long run
 - 2. Marginal product and diminishing returns
 - 3. Short-run costs
 - 4. Long-run costs and economies of scale
 - 5. Cost minimizing input combination
 - D. Firm behavior and market structure (25–35%)
 - 1. Profit:
 - a. Accounting versus economic profits
 - b. Normal profit
 - c. Profit maximization: $MR=MC$ rule
 - 2. Perfect competition
 - a. Profit maximization
 - b. Short-run supply and shutdown decision
 - c. Behavior of firms and markets in the short run and in the long run
 - d. Efficiency and perfect competition
 - 3. Monopoly
 - a. Sources of market power
 - b. Profit maximization
 - c. Inefficiency of monopoly
 - d. Price discrimination
 - e. Natural monopoly
 - 4. Oligopoly
 - a. Interdependence, collusion, and cartels
 - b. Game theory and strategic behavior
 - 5. Monopolistic competition
 - a. Product differentiation and role of advertising
 - b. Profit maximization
 - c. Short-run and long-run equilibrium
 - d. Excess capacity and inefficiency
- III. Factor Markets (10–18%)
- A. Derived factor demand
 - B. Marginal revenue product
 - C. Labor market and firms' hiring of labor
 - D. Market distribution of income
- IV. Market Failure and the Role of Government (12–18%)
- A. Externalities
 - 1. Marginal social benefit and marginal social cost
 - 2. Positive externalities
 - 3. Negative externalities
 - 4. Remedies
 - B. Public goods

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- 1. Public versus private goods
 - 2. Provision of public goods
 - C. Public policy to promote competition
 - 1. Antitrust policy
 - 2. Regulation
 - D. Income distribution
 - 1. Equity
 - 2. Sources of income inequality

Please print, sign, and return the last page of this syllabus.

INFORMATION PAGE

PLEASE PRINT THIS PAGE, SIGN, AND RETURN FOR CREDIT

Please return (worth 25 points)

We have read the syllabus and understand and accept the responsibilities and consequences of the course outlines. Please fill in the below information:

Student name (please print your name)	
ID #	
Period	
Student Signature	
Parent/Guardian name (please print your name)	
Parent/Guardian Email addresses	
Parent/Guardian Signature	

Parents/Guardians: Please provide with me with any additional information that you would like me to know about your student. Thanks!