Omaha Burke High School  
AP MICROECONOMICS  
2019 - 2020 Course Syllabus

**Instructor:** Barbara Foley  
**E-mail:** Barbara.Foley@ops.org (best method of contact)

**Textbook and Resources:**  


**Course Description**  
AP Microeconomics gives students a thorough understanding of the principles of economics that apply to the functions of individual decision makers, both consumers and producers, within the economic system. It places primary emphasis on the nature and functions of product markets and includes the study of factor markets and of the role of government in promoting greater efficiency and equity in the economy.  

1 Semester

**Instructional Philosophy**  
I believe in creating and providing genuine and relevant learning opportunities that allow every student to succeed with respect to their individual learning styles and abilities. I believe that students learn best when their classroom is an area that they feel safe and respected and I will make every effort to create this environment for your student.

**Content and Approximate Instructional Time Microeconomics**

- Intro to Economics and the Economy: 5 weeks
- Microeconomics of Product Markets: 8 weeks
- Microeconomics of Resource Markets: 3 weeks
- Microeconomics of Government: 1 week

**Units**

1. **There are 6 Units and a summative will be given after each unit.**
2. **Once a unit is closed a student will not be able to revise or turn in missing work. This means that a student that is failing this class will not be able to complete work from previous units to bring up their grade. Students need to care about their grades the whole semester not just the last week of class.**

**Assessments**

1. Course grades will be determined by planned assessments such as tests, quizzes, and projects scored with rubrics.
2. Major tests and/or writing projects are to be expected at the end of each major unit.

**OPS Secondary Grading Practices**  
All coursework and assessments are judged based on the level of student learning from “below basic” to “advanced.” This course will provide multiple opportunities to achieve at the “proficient” to “advanced” levels.
Students are evaluated based on a proficiency scale or project rubric. Proficiency scales for this course are available upon request (teacher will identify location such as portal, teacher website, attached, etc.) For the standards-based grading scale, refer to the Burke High School Student Handbook.

Redoing/Revising and Missing Student Coursework
1. Students are responsible for completing all coursework and assessments as assigned.
2. Students are expected to complete summative assessments when given to the class, or if a student was justifiably absent, an assessment must be taken within one week of the student’s return to school.
3. Missing work can’t be turned in after the end of unit date. End of unit date will be extended only for students with excused absences. Extensions will equal the number of excused absences. Ex. If a student misses one class they will be given one extra class to turn in missing work.
4. Redoing, retaking, or revising will be done at teacher discretion in consultation with the student and guardian(s). Teachers may schedule students before, during, or after school to address needed areas of improvement if not convenient during class. The time and location for redoing, retaking or revising will be done at the teacher’s discretion. To be eligible to redo work student must consistently utilize class time and the prior poor grade must not be the result of rushing work in order to do something non-class related.
5. Scores for student work after retaking, revising or redoing will not be averaged with the first attempt at coursework, but will replace the original score.
6. Summative Assessments may be retaken, with the ability to earn a 4, only if all previous Formative coursework was completed prior to the end of the unit.

Class Rules and Expectations
All student handbook rules apply.

1. If you miss class it is your responsibility to get any missed notes from a classmate. You will then need to check the assignments folder for any missed assignments.
2. Students need to bring their laptops charged to class every class.
3. Respect others – Teacher will not tolerate the harassment or abuse of students in the classroom. Students who insult, degrade, or harass others will be sent to the office with a referral.
4. Respect Property – Respect of school and student property is expected.
5. No Food/Candy/Gum/Drinks – Only water in a spill proof container is allowed.
6. No Visible Outside Electronic Devices – All electronics need to be out of my sight and yours.
7. No Plagiarism- The work you turn in should be your own. Taking credit for someone else’s work will not be tolerated.
8. Passes – Passes will be given at the teacher’s discretion limited to 5 per quarter. Passes will not be given to students for the first 15 minutes or the last 15 minutes of any class period, (per school policy).
9. The teacher will dismiss you. Please stay in your seat until the bell rings.
10. No play fighting, wrestling or horse play of any kind in class.
11. Do not charge your phones with your laptop. Your laptop needs to be charged for school work.
The Burke High School- AP Microeconomics Course Outline
One Semester

**MicroEconomics (2nd Semester)**

The purpose of the AP Microeconomics course is to give students a thorough understanding of the principles of economics that apply to the functions of individual decision makers, both consumers and producers, within an economic system. It places emphasis on the nature and functions of product markets, and includes the study of factor markets and the role of government in promoting greater efficiency and equity in the economy. Graphing and date interpretations will be key tools in comprehending how the economy operates.

Unit I: Basic Economic Concepts- 2 Weeks
(Chapters 1, 2 and 6- McConnell & Brue)

1. Founding Principles
   - Scarcity, the economizing problem
   - Tradeoffs and Opportunity Cost
   - Free-Market System (Adam Smith’s Invisible Hand)

2. Types of Economics
   - Microeconomics vs. Macroeconomics
   - Positive Economics vs. Normative Economics

3. Production Possibilities Graph
   - Straight vs. Bowed PPF
   - Underutilization, Full Employment, and Unattainable
   - Law of Increasing Opportunity Cost
   - 3 Shifters of the PPF
   - Consumer Goods vs. Capital Goods

4. Circular Flow Model
   - Product Market, Factor Market and Public Sector

5. Specialization and Trade
   - Absolute Advantage
   - Comparative Advantage

Unit II: Supply, Demand and Consumer Choice- 4 Weeks
(Chapter 3, 4, 20 and 21- McConnell & Brue)

1. Demand (Graph)
   - Law of Demand
   - Market Demand Curve
   - Determinants of Demand
   - Normal vs. Inferior Goods
   - Substitutes and Complements

2. Supply (Graph)
   - Law of Supply
   - Market Supply Curve
   - Determinants of Supply

3. Equilibrium and Efficiency (Graph)
   - Equilibrium Price and Quantity
   - Disequilibrium: Surplus and Shortages (Graphing)

4. Government Policies (Graphs)
   - Price Floors and Price Ceilings
   - Excise Taxes, Subsidies, Tariffs and Quotas

5. Elasticity
• Price, Incomes and Cross Price Elasticity of Demand
• The Total Revenue Test (Graph)

6. Consumer Choice
• Law of Diminishing Marginal Utility, Substitution Effect and Income Effect
• Marginal Benefit/Cost
• Utility Maximizing Rule

Unit III: Cost of Production and Perfect Competition- 3 Weeks
(Chapter 22 and 23- McConnell & Brue)
1. Economists vs. Accountants
• Total Revenue
• Explicit and Implicit Costs
• Economic Cost and Profits
2. Costs of Production (Graph)
• Fixed Costs, Variable Costs and Total Cost
• Per-Unit Costs (AVC, AFC, ATC)
• Shifts in MC, ATC, AVC and AFC
• Marginal Costs and Marginal Revenue
• Sunk Costs
3. Law of Diminishing Marginal Returns (Graph)
• Stage I: Increasing Returns
• Stage II: Decreasing Returns
• Stage III: Negative Returns
4. Long-Run Production Costs (Graph)
• Economies of Scale, Constant Returns to Scale, Diseconomies of Scale
5. Characteristics of Perfect Competition
• Price Takers
• Demand= MR= Price
• Graph: Firm vs. Industry (Market)
• Short-Run (Profit or Loss)
• Long-Run Equilibrium (New Firm Enter and Exit)
• Normal Profit
• Shutdown Decision (P<A VC)
• Productive Efficiency (P= Min ATC)
• Allocative Efficiency (P= MC)

Unit IV: Imperfect Competition- 3 Weeks
(Chapters 24 and 25- McConnell & Brue)
1. Characteristics of Monopolies
• Barriers to Entry
• MR Below Demand (Graphs)
• Profit-Maximizing Price and Quantity
• Natural Monopoly
2. Effects on Overall Economy
• Compared to Competitive Industry
• Dead-Weight Loss
• X-Efficiency
3. Price Discrimination (Graph)
• Purpose and Results
4. Regulation
   • Unregulated Price, Fair Return Price & Socially Optimal Price
   • Taxes and Subsidies
5. Characteristics of Monopolistic Competition
   • Long-Run Equilibrium (Graph)
   • Excess Capacity
   • Non-Price Competition
   • Product Differentiation
6. Characteristics of Oligopolies
   • Kinked Demand Curve-Competitive Pricing
   • Game Theory (Chart) Price Leadership
   • Collusion and Cartels

Unit V: Resource Markets- 3 Weeks
(Chapters 27, 28, 29 and 35- McConnell & Brue)
1. Demand for Labor
   • Derived Demand
   • Marginal Revenue Product
   • Marginal Resource Cost
2. Perfectly Competitive Labor Market (Graph)
   • Wage Makers
   • Perfectly Elastic Supply of Labor
3. Monopsony (Graph)
   • Wages and Quantity Compared to Perfectly Competitive Labor Market
4. Labor Unions
   • Goals and Methods
5. Effects of Minimum Wage
6. Wage Differentials
   • Investment in Human Capital vs. Physical Capital

Unit VI: Market Failures and Government Involvement- 3 Weeks
(Chapters 30, 31 and 34- McConnell & Brue)
1. Public Goods
   • Demand for Public Goods
   • Supply of Public Goods
   • Free-Rider Problem
   • Non-Excludability and Non-Rivalry
2. Positive Externalities/Spillover Benefits (Graph)
   • Marginal Social Benefits vs. Private Benefits
   • Under Allocation
   • Government Remedy
3. Negative Externalities/Spillover Costs (Graph)
   • Marginal Social Benefits vs. Private Benefits
   • Over Allocation
   • Government Remedy
4. Income Distribution
   • Lorenz Curve (Graph)
   • Tax Incidences
If you are planning to take the AP Microeconomics exam in May, you will want to pay attention to the following information provided by College Board AP.

AP MICROECONOMICS EXAMINATION
CONTENT SPECIFICATIONS

I. Basic Economic Concepts (8-14%)
   A. Scarcity, choice, and opportunity cost
   B. Production possibilities curve
   C. Comparative 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 (50-70%)
   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
      3. Individual and market demand curves
      4. Income and substitution effects
   C. Profit, production, and costs (10-15%)
      1. Profit and Profit maximization
      2. Production functions
      3. Short-run costs
      4. Long-run costs and 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. Firm and market behaviors in short-run and long-run equilibria
         d. Efficiency and perfect competition
      3. Monopoly
         a. Sources of market power
         b. Profit maximization
         c. Inefficiency of monopoly
         d. Price discrimination
      4. Oligopoly
         a. Interdependence, collusion, and cartels
         b. Game theory and strategic behavior
c. Dominant strategy
d. Nash equilibrium

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
      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