

**AP/ Honors ECONOMICS (Senior Level)**

Office/Classroom: Building 7 Room 215

Website: [www.lhepburn.com](http://www.lhepburn.com)

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**COURSE DESCRIPTION:** Advanced Placement Microeconomics is a college level course and will be taught as such. The purpose of an AP course in microeconomics 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 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. This course offers the ability to obtain college credit, therefore the expectation of you the student is to perform at college level. Success in this course will require significant participation inside and outside of class.

**REQUIRED MATERIALS:** Textbook provided by librarian, binder for Cornell notes, ruled paper, graph paper

**ANCILLARIES:** Five 5 Steps to a Five, AP Microeconomics/Macroeconomics, McGraw Hill, 2011-2012), Advanced Placement Economics: Microeconomics Student Activities, National Council on Economic Education.

**COURSE ORGANIZATIONAL PRINCIPLES:**

- Limited amounts of resources (natural, human, and capital) drives people and organizations to make economic decisions regarding what, how, and for whom to produce.
- The invisible forces within the marketplace determine supply and demand, which in turn determines price and output (quantity).
- Different types of market structures evolved from the competition among producers that sometimes results in conflict with labor (union) and/or government.
- Consumers' financial stability hinges upon their decisions regarding credit, investment, saving, and consumption (spending).
- The interaction between consumers, producers and government indicates the overall performance of the free-enterprise economy as measured by the business cycle (GDP), unemployment, and inflation.
- The government attempts to create stability in the economy through fiscal policy, which consists of taxing and spending.
- The Federal Reserve utilizes the reserve requirement, discount rate, and open market operations to create economic stability.
- Due to emerging technologies, international trade is increasingly important (as a percentage of GDP) and expanding to include less developed, developing, and developed nations.

**STUDENT LEARNING OBJECTIVES**

- Students will identify ways to make a personal, value-centered contribution in a diverse global society.
- Students will evaluate critical facts and concepts in discipline-related written material to support problem solving and decision making.
- Students will identify and analyze problems/issues in order to generate solutions to individual, community and global problems/issues.
- Students will identify the basic elements of emotional, physical, academic and mental wellness in order to conduct self assessments and set goals for successful matriculation in the collegiate/university environment.
- Students will apply qualitative/quantitative reasoning through the application of knowledge, skills, and competencies when solving real life problems with satisfactory performance on projects, tests, quizzes and exams.
- Students will analyze sources related to current socio-cultural issues in order to construct and support a thesis in a well documented research paper using MLA or APA styles.
- Students will demonstrate facility in using email, internet, Microsoft Office applications and web-based programs, such as Google Apps, Quia, and other discipline specific software in order to complete projects and assignments.
- Students are required to actually generate (draw) correctly labeled graphs throughout the course.

**METHODS OF INSTRUCTION and COMMUNICATION**

In addition to lectures, discussions, web instruction, guest speakers, and direct face-to-face instruction, all students and parents will have access to academic support electronically through, email, web form response, SMS text, and private voice mail (accessible at the dedicated course website, [www.lhepburn.com](http://www.lhepburn.com)).

**COURSE GRADING SCALE**

A = 90.0+

B = 80.0+

C = 70.0+

D = 60.0+

F = 59.0 below

- An "A" student demonstrates mastery of the various course learning objectives, turns in all assignments on time, participates to the fullest in class and group projects, and is in attendance for the majority of the semester.
- A "B" student masters the majority of course learning objectives, turns in all assignments on time, participates in class discussions and group assignments, and is in attendance for the majority of the semester.
- A "C" student masters about half the course learning outcomes, turns in most assignments on time, participates in class when called on, contributes minimally to group assignments, and generally is in attendance throughout the semester.
- A "D" student performs unsatisfactorily, fails to turn in all assignments, and misses a considerable amount of classes throughout the semester.

- An "F" student fails to turn in more than half the assignments and is not in attendance for the majority of the semester.
- **Summative assessments will count for 80% of the final grade. All summative assessments can be retaken.**
  - Students will retake different forms of the assessment (not the same exact test) **as many times as desired.** Please note that **only the highest score will be recorded at the end of each grading cycle.**
  - Retakes will not be provided during or after the last week of the course.
  - Assessments are more than just multiple choice tests. They can be projects, presentations, papers, etc.
  - All grades will be posted for review by parents/students on Pinnacle before progress reports and end of semester period.

## Content Areas –Course Planner

### I. Basic Economic Concepts – **3 weeks**..... (8–14% MULTIPLE-CHOICE SECTION)

*Mceachern; Economics A Contemporary Introduction Chapters 1-3*

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|--|-----------------------------------|
| 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 – **6 weeks**..... (55–70%)

*Mceachern; Economics A Contemporary Introduction Chapters 4-10*

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|---|---|
| A. Supply and demand (15–20%)                               |   |
| 1. Market equilibrium                                       | 2. Determinants of supply and demand                            |
| 3. Consumer surplus, producer surplus and market efficiency | 4. Price and quantity controls                                  |
| 5. Elasticity   | 6. Tax incidence and deadweight loss                            |
| a. Price, income and cross-price elasticities of demand     |   |
| b. Price elasticity of supply                               |   |
| 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. 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. Short-run supply and shutdown decision                   | b. Profit maximization  |
| c. Behavior of firms/ markets in short and in the long run  | d. Efficiency/ 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 – **4 weeks** ..... (10–18%)

*Mceachern; Economics A Contemporary Introduction Chapters 11-14*

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|---|
| A. Differentiation of Factor Markets and Product Markets                          |
| B. Marginal Productivity and Factor Demand  |
| 1. Resource demand as derived demand  |
| 2. Marginal physical product, marginal revenue product and marginal resource cost |
| 3. Rule for employing resources (MRP = MRC)                                       |
| 4. Changes in resource demand and effects on factor prices                        |
| C. The Effects of Resource Market Structure on Wages and Employment               |
| 1. Competitive labor markets  |
| 2. Monopsonistic labor markets  |
| 3. Effects of minimum-wage laws on competitive and monopsonistic labor markets    |
| 4. Effects of labor unions on competitive and monopsonistic labor markets         |

## D. Determination of Economic Rent and Interest

IV. Market Failure and the Role of Government – **4 weeks** ..... (12–18%)  
*Mceachern; Economics A Contemporary Introduction Chapters 15-18*

## A. Externalities

1. Marginal social benefit and marginal social cost
3. Negative externalities

2. Positive 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

**Class Tardy Policy**

The responsibility of being prepared for class is paramount to providing an optimal learning environment, overall success, and the development of a responsible citizen. If students have personal issues, such as a need to meet with counselors, or a desire to assist other instructors, administrators, staff on campus during course time then that student is held responsible for their actions with either a tardy or absence. In other words course time is non-negotiable, you are expected to be in class for the ENTIRE period. Individuals who enter the classroom after the bell has rung disrupt the daily lesson, impacting all students. Therefore, the following tardy policy will be implemented:

**All Unexcused Tardies/Absences**

- Upon entry, the tardy student must complete the late tardy form, explaining briefly why he/she was late. (This will be noted in your pinnacle record).
- Bellringer assignments will not be given nor time extended outside of the initial time allotted at the beginning of class.

**Third Tardy and/or Unexcused Absences** (within the semester)

- The student must return to the instructor the Attendance/Academic Alert letter signed by the guardian and when applicable: athletic coach, club sponsor, and/or ESE Counselor. All applicable signatures must be provided as acknowledgement of the student's behavior and possible academic jeopardy.

**Fourth Tardy and or Unexcused Absences** (within the semester)

- It is understood that the instructor will refuse to provide signed approval to attend field trips and a letter of support for campus clubs, community groups, employment and/or collegiate acceptance.

**Fifth Tardy and or Unexcused Absences** (within the semester)

- The student must return signed by the guardian and when applicable: athletic coach, club sponsor, and/or ESE Counselor the Attendance/Academic Jeopardy letter. All applicable signatures must be provided as acknowledgement of the student's behavior and probable failure in the class. The completed form will be photocopied and provided to the student's guidance counselor.

**Sixth Tardy/and or Unexcused Absences** (within the semester)

- At this point, it is understood that the student's actions express that he/she does not take the academic learning process seriously and is secure in acknowledging that academic failure is probable. Since this is his/her course of action, the instructor will adhere to no other consequences for tardies beyond this point (except for recording purposes in Pinnacle). Please note this is not an acceptance of blatant negative behavior but rather an understanding that the instructor's efficiency and effectiveness must be provided to students that are ready, able, and willing to learn.

**UNIT SUMMATIVE ASSESSMENTS**

Tailored comparably to the College Board AP examination, all unit examinations will be provided electronically through Quia.com.

**AP MICROECONOMICS EXAM**

The course is designed to prepare students for the administration of the AP Exam on **Thursday, May 17th, 2012 (afternoon)**. The AP Microeconomics Exam is two hours and ten minutes long. In Section I, students are given 70 minutes to answer 60 multiple-choice questions; in Section II, they must answer three required free-response questions in 50 minutes.

The free-response questions on the exam generally ask students to analyze a given economic situation and present and evaluate general macroeconomic principles. Students are expected to write well-organized and analytical essays and to include explanatory diagrams that clarify their analysis. Questions may require students to interpret graphs or to draw their own graphs as part of their answers. All graphs should be clearly labeled. Generally, the longer essay (50 percent of the free-response score) requires students to interrelate several content areas, while the two shorter essays (together, 50 percent of the free-response score) typically focus on a specific topic in a given content area.

**ACADEMIC DISHONESTY**

- Academic dishonesty is considered a serious offense and may result in disciplinary action in accordance with VCSD policy.

**ACCOMODATIONS / CONCERNS**

- If you have problems, questions, or concerns with this course or your ability to complete assignments, contact me immediately. **Do not wait until the end of or after the semester to discuss your concerns.** Most issues can be worked out without much difficulty if done in a timely manner.

**CLASSROOM ETIQUETTE**

*The following expectations are to enhance your ability to learn in this class, to avoid disruption and distraction, and to improve the quality of the classroom experience. Repeated failure to meet these expectations may result in a lower grade for the course.*

**The Golden Rule:** It is important that we respect each other and that begins with me, so I challenge you to join me in treating everyone with love and respect. Thank you in advance for your maturity and self-discipline.

**Entering/Exiting Class:** Arrive on time to class and stay for the entire class period. Late arrivals and early departures are disruptive. If despite your best effort you arrive late, please quietly take a seat. Similarly, in the rare event that you must leave class early (e.g. for a medical appointment), email/text me in advance to let me know, then sit close to the rear door and leave as unobtrusively as possible. During exams, ask permission before leaving to use the restroom. Try to use the restroom *before* class.

**Noise:** When class begins, please stop your conversations. Wait until class is completely over before putting your materials away in your backpack, standing up, or talking. Do not have conversations outside of the classroom door when class is in session.

**Electronic Devices:**

- No taping, filming, or photography in class without my prior permission (whether by camera, cell phone, or other means). These activities are distracting and inhibiting to faculty and other students, may infringe upon privacy or copyright, and have a chilling effect on classroom discussion.
- Cell phones should be turned off; ear buds/headphones must be removed from ears during class.

**Email/Text Message Etiquette:**

- You are expected to write as you would in any professional correspondence. Email/Text Message communication should be courteous and respectful in manner and tone. Do not send emails that are curt or demanding.
- Do not post personal information about yourself or others about third parties to the class or any other list serve. For example, if you are having trouble with a group member you should see the instructor in person to discuss the specifics of the issue.

**Common Courtesy:**

- Food and drink are not allowed in class.
- Show respect for me and your fellow classmates. Do not interrupt another who is speaking. It is okay to disagree with an idea but not okay to ridicule or make fun of another person and his/her ideas. Raised voices, derogatory language, name-calling, and intimidating behavior will NOT be tolerated.
- Do not disturb others by engaging in disruptive behavior. Disruption interferes with the learning environment and impairs the ability of others to focus, participate, and engage.

**Statement of Student Responsibility**

I state that I have read and understand the course requirements as defined in this syllabus. I take responsibility for completing the assignments as required and take responsibility should I fail to comply with the guidelines for the course. I agree to abide by the VCSD's Code of Student Conduct and the Classroom Etiquette standards understanding that failure to do so may result in dismissal and/or VCSD academic misconduct proceedings. I understand that if I need assistance with materials throughout the term the instructor is available to guide me, but that ultimately I am responsible for my own work, and for notifying the instructor if I have problems with material or in completing the work in a timely manner. Finally, I understand that courses at Pine Ridge are taught at a level which requires considerable work, and I am prepared to take on that responsibility.

*I have read and agree to be governed by the **syllabus** given for this class. I have also read the above Statement of Student Responsibility, and I agree to abide by it. My true and accurate **signature is provided below.***

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 Student Signature

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 Date

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 Student - Printed Name

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 Guardian Signature

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 Date