

# AP Economics Syllabus

Mr. Hansen

[phansen@dbqschools.org](mailto:phansen@dbqschools.org)

Moodle Site: <http://www.aeak12online.org/course/view.php?id=3503>



Room B141

563-552-5642

## **Description of Course:**

Economics is the study of how our economy works, and how tough decisions are made with limited resources. The study of economics helps one to better understand prices, the type of economy we have, business, money, banking, and international trade. Students will examine the functions performed by the American and global economic systems (macroeconomics) and the principles of economic decision-making by the individual and businesses (microeconomics).

The aim of an Advanced Placement Economics course is to provide students with a learning experience equivalent to that obtained in a typical college/university introductory macroeconomics or microeconomics course. AP Economics is designed to prepare students to take the AP Exams in Macroeconomics and Microeconomics (2 separate exams) in the month of May of each year. Successful completion of these exams may result in college/university credits or placements for the student.

### *AP Macroeconomics*

Advanced Placement Macroeconomics provides students with a thorough understanding of economic principles that apply to an economic system as a whole. The course places particular emphasis on the study of national income and price-level determination and also develops students' familiarity with economic performance measures, the financial sector, stabilization policies, economic growth, and international economics.

### *AP Microeconomics*

Advanced Placement Microeconomics provides students with a thorough understanding of economic principles that apply to the functions of individual decision makers, both consumers and producers, within an economic system. The course 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.

### **Standards Used:**

Refer to this link: [AP Economics Standards](#)

### **Core Materials Used:**

- McConnell, C. R., & Brue, S. L. (2008). *Economics: Principles, problems, and policies*. (17<sup>th</sup> ed.). Boston: McGraw-Hill Irwin.
- Morton, J. S., & Goodman, R. J. B. (2003). *Advanced placement economics: Macroeconomics: Student Activities 3<sup>rd</sup> Ed*. New York: National Council on Economic Education.
- Morton, J. S., & Goodman, R. J. B. (2003). *Advanced placement economics: Microeconomics: Student Activities 3<sup>rd</sup> Ed*. New York: National Council on Economic Education.

### **Useful Web Sites for Resources:**

- Economics University: Reffonomics:  
<http://reffonomics.com/reff/index.html>
- Khanacademy (website with many videos to help supplement what we are learning in class)  
<http://www.khanacademy.org/>
- Investopedia (great for looking up economic definitions)  
[www.investopedia.com](http://www.investopedia.com)
- GOORU ALPHA (search engine with many educational resources)  
<http://www.goorulearning.org>
- McConnell Brue Flynn Economics (our book is edition 17 this is edition 19 online material)  
<http://glencoe.mcgraw-hill.com/sites/0217511447/>
- McGraw-Hill: ECONnections:  
<http://www.e-connections.org/>
- Welker's Wikinomics:  
<http://welkerswikinomics.wikifoundry.com/page/Course+Information>
- Amos Web Quiztastic:  
[http://www.amosweb.com/cgi-bin/awb\\_nav.pl?s=tst](http://www.amosweb.com/cgi-bin/awb_nav.pl?s=tst)
- The Dismal Scientist:  
<http://www.economy.com/dismal/>
- Federal Reserve Education:  
<http://www.federalreserveeducation.org/>
- World Economic Forum:  
<http://www.weforum.org/en/index.htm>
- EcEdWeb: University of Nebraska:  
<http://ecedweb.unomaha.edu/home.cfm>
- Council for Economic Education: EconoEdLink:  
<http://www.econedlink.org/lessons/>

## CORE ACTIVITIES

- Classroom discussion and notetaking
- Homework Assignments
- Simulations
- Unit Examinations
- Interpreting and analyzing charts and graphs relevant to course material
- Presentations and projects analyzing current industries, companies, and events
- Free response questions
- Discussion and debates over current economic issues
- Watching videos explaining content and concepts
- Semester Examines
- Book Reports
- Participation in the Quiz Bowl
- Preparation and completion of the advanced placement exams in economics

## MATERIAL REQUIREMENTS

- Bring a pen/pencil, paper and your text to class each day unless told to do otherwise. Some days calculators will be very helpful, so make sure you have one.
- **ALL STUDENTS MUST HAVE A THREE-RING NOTEBOOK** in which to keep all assignments, notes, handouts and other related materials. Periodically, this notebook may be collected for evaluation. I would recommend keeping a notebook or loose-leaf paper in your binder.

## EVALUATION

- Assignments and homework will count for 10% of your grade. Quizzes, Tests, Projects and other categories of student assessment will count towards 90% of students' grades. When turning in assignment students need to make sure they turn the assignments by placing them in their classes designated tray on my filing cabinets. Each student will be responsible for all of the assigned work and activities in each of the units. The instructor evaluates by means of the total point system. The point total of the student is divided by the total of the points possible to determine the student's grade percentage. The letter grade the student earns which corresponds to a given percentage range is:

|    |        |
|----|--------|
| A  | 93-100 |
| A- | 90-92  |
| B+ | 87-89  |
| B  | 83-86  |
| B- | 80-82  |
| C+ | 77-76  |
| C  | 73-76  |
| C- | 70-72  |
| D+ | 67-69  |
| D  | 63-66  |
| D- | 60-62  |
| F  | 0-59   |

- The student will be expected to take all exams and quizzes on the date announced. Students who are absent on test dates will be expected to make up the exam within one week of their return from an absence. If a student has not completed the tests they missed they will receive a 0 as their test score.
- Extra credit may be given during the course of the semester. However, students should not expect extra credit to supplement points for missed assignments.

### **CHEATING/PLAGIARISM**

- If you are caught cheating by looking at another student's schoolwork, copying others' work, copying from other sources or similar cheating will result zero points for that assignment, test, or project. Students are also at risk of losing class credit if caught cheating. Students must complete their own schoolwork. Both persons, the one copying and the one being copied from will be dealt with in like manner. Do you want your surgeon to have been a cheater? How about your pilot? Auto mechanic?

### **ATTENDANCE**

- The nature and format of this course make it imperative that you be in class every day. If you are absent, make arrangements to make up the lesson/activity you missed. I would strongly suggest that you have a study partner for this class. Your study partner could take care of this task for you. This partnership could also help you to prepare for the exams, and most importantly the National AP Exams in May.
- Students are expected to be in the classroom by the time the bell rings for class to begin. Excessive tardies and absences will be dealt with according to the policies outlined in your student handbook agenda on page 40. If you are late with or without a pass, whatever the pass says put the passes in my basket and quietly join the class without distracting learning.
- At the end of every class students should stay seated in their desks. I dismiss the class, not the bell. I do this so that you keep working up to the bell. Over a year those minutes add up, equaling more education and less homework.

### **BEHAVIOR EXPECTATIONS**

- **RESPECT!** It is Mr. Hansen's expectation that you respect the beliefs/opinions, feelings, space and property of others. This means disrespectful, inappropriate and distracting behavior is unacceptable. Therefore students who are disrespectful and excessively distracting to others or themselves should expect consequences (refer to consequence ladder at the bottom). All students are expected to behave as the young adults they are.

- **Rule 1: Quiet?** Fun is important, stories are important, questions are important, discussion is important for learning, but only at appropriate times, when given permission. Quietly listen while another is speaking. If this doesn't work, the class will have to raise their hand to speak.
- **Rule 2: Distracting?** DO NOT distract yourself or other students from learning. Therefore no cell phones out or other class work out. While class is in session, if someone needs to get up from what they are doing, they need to do what they do in a non-distracting way.
- **Rule 3: Prepared?** Students should be to class on time and bring their textbook, notebook, pens, pencils and other necessary materials. Students should participate in classroom activities. Students should turn their work in on time. Students should work to the best of their ability.

### **COMPLETION DATES, MAKE-UP WORK AND THE NATIONAL AP EXAMS**

- Each student will be held responsible for the completion of all assigned work on time. There will be no late work accepted for any work. This is a college level class, there are few professors who will accept late work once you get to college.
- Make-up work should be completed as soon as possible. Students will be given the same amount of days they missed to complete any makeup assignments. For example, if a student misses three days of class, they will be expected to have their makeup assignments completed three days after returning to school. When students are absent it is their responsibility to check the class Moodle website for missing work and then ask for missing homework, notes, activities, etc.

### **THE NATIONAL AP EXAMS**

**DATE: Wednesday, May 11 and Friday, May 13**

**MAY 11 - AFTERNOON (12 noon): Macro, MAY 13 – MORNING (8 AM): Micro**

The National AP Exams in Economics will be administered at a designated location(usually NICC) in the month of May by the guidance staff. Each exam lasts approximately one and one-half hours and is comprised of two parts: multiple choice and essay. Students receive a score from one to five on each exam. Most colleges/universities require a score three or higher to grant credit for the two semesters of economics. You will be given more information and materials to prepare for the National AP Exams, however if you feel some questions have not been answered then you need to ask me.

**TEACHER AVAILABILITY**

| Period 1                         | Period 2                         | Period 3                     | Period 4     | Period 5/HR                      | Period 6                              | Period 7                         |
|----------------------------------|----------------------------------|------------------------------|--------------|----------------------------------|---------------------------------------|----------------------------------|
| 7:35-8:21                        | 8:26-9:12                        | 9:17-10:08                   | 10:13-10:59  | 11:04-12:38                      | 12:43-1:29                            | 1:34-2:20                        |
| US His<br>B141<br>US His<br>B141 | US His<br>B141<br>US His<br>B141 | Econ<br>B141<br>Econ<br>B141 | PREP<br>PREP | US His<br>B141<br>US His<br>B141 | AP Econ<br>B141 AP<br>AP Econ<br>B141 | US His<br>B141<br>US His<br>B141 |

**Course Outline:**

\*Chapters are from the McConnell & Brue Textbook

\*APEs are activities from the Advanced Placement Economics resource book

**Macroeconomics**

- **Key Principles That Shape Economic Systems**
  - 2 Weeks
  - Chapters 1, 2, 4
  - APEs: 1, 2,
  - Foundational economic guidelines and principles, introduction to reading tables and graphs, reading shapes & directions of curves on graphs, economic rationale in decision-making, production possibility curve, economic systems, the modern American economic system, introduction of market structures, firms, industries, households, public versus private institutional roles, & taxes
  
- **The Pricing System at Work**
  - 2 Weeks
  - Chapter 3
  - APEs: 3, 4, 5, 6,
  - Introduction to the pricing system, law of demand, law of supply, relationship between price & quantity, shifting supply & demand curves, shortage, surplus, efficiency, price-ceilings, price-floors, & quantity restrictions
  
- **Macroeconomic Measurement and Basic Concepts**
  - 2 Weeks
  - Chapters 6, 7, 8
  - APEs: 12-17
  - Introducing macroeconomics and economic indicators, GDP expenditures & income approaches, national income, NDP, personal income, disposable income, nominal versus real, price index & CPI, business cycle, & causes & effects of unemployment and inflation, types of unemployment & inflation, average & marginal propensities, interest rate/investment relationships, & multiplier effect.

- **Fiscal Policy**
  - 3 Weeks
  - Chapters 10, 11
  - APEs: 23, 24, 26, 27,
  - Introducing ADAS model, relationship between price level & output, shifting AD & AS curves, ratchet effect, expansionary versus contractionary policies, stabilizers, how government spending & taxes' affect inflation & national output, national debts, deficits, & surpluses.
  
- **Money, Banking, & Monetary Policy**
  - 3 Weeks
  - Chapters 12, 13, 14
  - APEs: 34, 36, 37, 38, 39, 40, 42
  - The function & properties of money, banking system, the FED, fractional reserve system, money creation, interest rates, tools of monetary policy, open-market operations, discount rate, federal funds rate, & how money supply affects inflation & national output.
  
- **Macroeconomics in the Long-Run**
  - 2 Weeks
  - Chapters 15, 16, 17
  - APEs: 43, 44, 45, 46, 47, 48
  - Short-run versus long-run, long-run & ADAS model, inflation-unemployment relationships in the long-run, Phillips Curve & the long-run, Laffer Curve, ingredients of growth, illustrating long-run growth in the ADAS & PPC models, accounting for growth, productivity, effects of growth, causes of macro instability,  $MV=PQ$ , real-business cycle theory, coordination failures, rational expectations theory, new classical economics, & monetary rule.
  
- **International Economics**
  - 3 Weeks
  - Chapters 5, 35, 36
  - APEs: 49-55
  - Introduction of international trade's effects, trade surplus versus deficit, open versus closed economies, protectionism, illustrating protectionism with pricing system model, law of comparative advantage, globalization, & free trade organizations, WTO, foreign exchange markets, equilibrium world price, & foreign exchange rates.

## MICROECONOMICS

- **Key Economic Principles & the Pricing System (Review Material: Optional)**
  - 1 Week
  - Chapters 1, 2, 3
  - APEs: #1, 2, 4, 5, 9-11, 14-16
  - Foundational economic guidelines and principles, introduction to reading tables and graphs, reading shapes & directions of curves on graphs, economic rationale in decision-making, the pricing system, law of demand, law of supply, relationship between price & quantity, shifting supply & demand curves, shortage, surplus, & efficiency.
  
- **Elasticity**
  - 2 Weeks
  - Chapter 18
  - APEs: 17-21
  - Price elasticity of demand & supply, price-elasticity formula, midpoint formula, elastic, inelastic, unit elasticity, total revenue & formula, cross elasticity of demand & formula, income elasticity of demand & formula, & consumer & producer surplus.
  
- **Product Markets**
  - 4 Weeks
  - Chapter 19, 20, 24
  - APEs: 24-28
  - Law of diminishing marginal utility, utility, total & marginal utility modeling, consumer behavior theory, utility-maximizing rule & algebraic formula, utility maximization & the demand curve, economic costs, implicit versus explicit costs, normal versus economic profit, total profit, marginal product, average product & formulae, law of diminishing returns & modeling, fixed versus variable costs, average fixed costs, average variable costs, average total costs & formulae, marginal costs, long-run production costs, economies & diseconomies of scale, constant return to scale, & technological advance & innovation's role in economic growth & total revenue.
  
- **4 Market Models**
  - 3 Weeks
  - Chapters 21, 22, 23
  - APEs: 28-31
  - Pure competition, pure monopoly, monopolistic competition, oligopoly, profit maximization in the short-run, total revenue-total costs approach,  $MC=MB$  approach, loss-minimizing, profit maximization in the long-run, increasing-, decreasing-, & constant-cost industries, barriers to entry, price discrimination, X-inefficiency, rent-seeking behavior, product differentiation, strategic behavior, concentration ratio, Herfindahl index, game-theory model, cartels, & government policy toward imperfect competition.



- **Resource Markets**

- 3 Weeks
- Chapters 25, 26, 27
- APEs: 45-51
- Derived demand,  $MRP=MRC$ , elasticity of resource demand, optimal combination of resources, wage determination, nominal versus real wage, monopsony, union models, wage differentials, rents, profits, & capitalization.

- **Microeconomic Issues**

- 4 Weeks
- Chapters 28, 29, 30, 31, 32, 33, 34
- APEs: 52, 54, 59, 60
- Private versus public goods, free-rider problem, externalities, information failures, government failure, tax burden, incidence, & efficiency loss, antitrust laws, regulation versus deregulation, agricultural economic policy, price supports, income inequality & poverty issues & policies, Lorenz curve, Gini ratio, equality versus efficiency, US income-maintenance system, welfare, health care industry, & labor market institutions.

*Remaining 2 weeks for Macro- & Microeconomic AP Exams review*

## **Book Report Details**

**BOOK CRITIQUES(30 pts):** One book critique per semester, combined with book notes are worth 50 points total. It is to be **one full page or two pages, typed, using font 12**. In your book critique remember to state your opinion of the book based on some evidence and state 3 things you found interesting from the book. Books must be from the selection below. After handing in the critique and book notes, if I suspect copy infringement or a lack of understanding I might ask for an oral report. My ultimate goal is for you to read an economics book to hopefully better learn to enjoy economics.

**BOOK NOTES(20 pts):** Keep a reading journal - write comments/quotes as you read(12 pts). Identify page first then comment/quote/vocabulary(5 pts). More is better than less, at least a page is required (3pts). Make sure to explain why you chose to highlight certain sections in your book critique?

**DUE:** on December 17<sup>th</sup> (first critique) and April 28<sup>th</sup> (second critique). Besides the book critique an oral report may be required. Critique score may be based on the Book Notes and/or the oral report. You may not use a book twice. Critiques will lose 15% per day that they are late. Oral reports will be interviews about the book conducted in private with me. (FYI: 50 pts is about 1 test grade)

### **Book Critique Grading**

#### **Perfect: (30/30) :**

[5 pts] One or Two pages(2 pt), typed(1 pt), using font 12 (2 pts)

[5 pts] Ideas are clear, understandable (2.5 pts) and to the point (2.5 pts)

[10 pts] Your opinion of the book and its content (3 pts) is stated with justification (7 pts) for the opinion stated.

[10 pts]States clearly at least 3 concepts that were interesting to you, from your book notes

#### **Below Expectations: [(11.8 - 18.3)/30]**

(3-4 pts) It is not typed or is not double spaced using 12 pt font

(2.5-4 pts) Ideas are stated, but not all are understandable.

(3-7 pts)You give an opinion of the book with little or no justification

(3.3 pts )Explains only 1 concept that was personally interesting, from your book notes

#### **Failing: (2/30)**

(.5pt) Way beyond length required or not long enough, not typed, no double spacing and not using 12 pt font,

(.5pt) Ideas are not understandable, nor short

(.5pt) You don't give an opinion of the book

(.5pt) Explains no concepts that are personally interesting and doesn't mention book notes

## **BOOK LIST**

\*\*\***THE CHOICE** – by Russell Roberts. David Ricardo comes back to life to campaign for Comp. Adv., #1 book

\*\*\***NAKED ECONOMICS** – Charles Wheelan, No diagrams, jargon, or equations. Just economics. Correspondent.

\*\* **THE WORLD IS FLAT** by Thomas Friedman

\***GLOBALIZE IT** – Brendan January, if you read The Choice last semester, give this a read.

\***FREE TO CHOOSE** - Milton Friedman: conservative views on 10 or so topics of 1980, still debated

**THE LESSONS OF HISTORY** - Durant: short but dense, race, econ, religion, socialism income, biology, vocabulary a bit tough, not much econ.

**THINKING STRATEGICALLY** - Dixit and Nalebuff, Game Theory, if you love math and math games

**HOW TO GET CONTROL OF YOUR TIME AND YOUR LIFE** - Lakein: time management, goals setting

**THE LEXUS AND THE OLIVE TREE** – Thomas Friedman, how & why the U.S. is viewed, mid-east references

**FAST FOOD NATION** – Eric Schlosser, how our food and food processing has changed, a lot of non-AP economics

**ARMCHAIR ECONOMIST** – Landsburg, interesting how he uses economics to look at every day life

**FREAKONOMICS**: by Steven Levitt, on NYTimes best seller list, dubious scholarship. Peer reviews weak.

**SUPER CAPITALISM**: by Robert Reich, how capitalism has morphed. US is a. citizens, b. consumers, c. investors.

**STUMBLING ON HAPPINESS**: by Daniel Gilbert, Starts with psych melds into economics (behavioral economics)

\*\*\***HARD HEADS, SOFT HEARTS** – *Blinder*. Politics, environment, inflation, unemployment, taxation. A bit dated.

**IN THE LONG RUN** - a murder mystery, supply side, rat ex., one thumb up, one down, circular flow knowledge helps

**NEW IDEAS FROM DEAD ECONOMISTS** - comp adv., ABS ADV, Keynes vs. Monetarists, Micro and Macro, may not help for AP test as much as others

**WORLDLY PHILOSOPHERS** - 30 years old, better to choose "NEW IDEAS," on reading list from Madison

**ECONOMICS IN ACTION** - by David Anderson, Best for Mi/Ma students, a bit like a textbook.

**PEDDLING PROSPERITY** - Keynes, Friedman, sup. side, productivity, 1980-1994, Phillip's Curve, banking, stagflation

**HOW TO LIE WITH STATISTICS** – Gary Huff, old, simple, short-read, but you will learn a lot

**THE CREATURE FROM JEKYLL ISLAND: A SECOND LOOK AT THE FEDERAL RESERVE** - G. Edward Griffin

**HIDDEN ORDER: THE ECONOMICS OF EVERDAY LIFE** - David D. Friedman

**SUPERFREAKONOMICS** - Steven D. Levitt and Stephen J. Dubner

**AFTER THE MUSIC STOPPED** - Alan S. Blinder, The recent financial crisis of 2007-9ish and what the government did to fight it

**THE INSTANT ECONOMIST** – Timothy Taylor, Hits on many economic concepts, but explained for average person and written with engaging anecdotal information.

**THE SHIFTS AND THE SHOCKS** – Martin Wolf, Explains the malaise in which we have been mired since 2008, but also provides a analysis of why we are likely to remain so.

**THE ESSENTIAL KEYNES** – John Maynard Keynes

**THE WEALT OF NATIONS** – Adam Smith

**THE THEORY OF MORAL SENTIMENTS** – Adam Smith

The Communist Manifesto – Karl Marx

# Consequence Ladder

**6. Students sent to the office to debrief with an A.P. & with a written debrief to fill out**

**5. Student to guidance office to get some help with a verbal debriefing from a guidance counselor**

**4. Reflection with a written debrief and verbal debrief**

**3. Reflection: some time out in the hall to think and calm down**

**2. Silent observer status to help a student**

**1. Reminder**