



# Welcome to AP Economics

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MR. WALLACE

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# AP Course Overview

- + College Board encourages students to take AP courses in topics they are HIGHLY interested in
  - + They, along with Innovation, discourage taking AP courses to just “add to your resume”
- + Check the Reported Workloads for each course to ensure you can maintain the amount of time needed for success
- + Read the Essential Skills: do you have the skills needed to perform well in the class or are you just signing up because it is an AP course?

# AP Microeconomics & Macroeconomics

Student Reported Workload	Teacher Report Workload
<b>2.2 Hours Per Week</b>	<b>3-5 Hours Per Week</b> Class contains projects that will necessitate outside collaboration and work

<b>Pre-requisites</b>	<ul style="list-style-type: none"><li>• Grade of 85 or above in AP U.S. History OR Grade of 90 or above in on-level U.S. History</li><li>• Score of 3 or above on previous social studies AP tests</li></ul>
<b>Course Summary</b>	<ul style="list-style-type: none"><li>• AP Microeconomics is an introductory college-level microeconomics course. Students explore the economics decisions of individuals and firms by using principles and models to describe economic situations and predict and explain outcomes. Topics include scarcity and markets; costs, benefits, and marginal analysis; production choices and behavior; and market inefficiency and public policy.</li><li>• AP Macroeconomics explores the principles of economics that apply to an economic system using graphs, charts, and data.</li></ul>
<b>Essential Skills</b>	<ul style="list-style-type: none"><li>• Students should be able to read a college-level textbook and possess basic mathematics and graphing skills.</li><li>• Students should be strong independent learners</li><li>• Students should have strong time-management skills</li></ul>

# Why Does this class matter?

[Because Ben Bernanke, Timothy Geithner, and Henry Paulson say it does!](#)

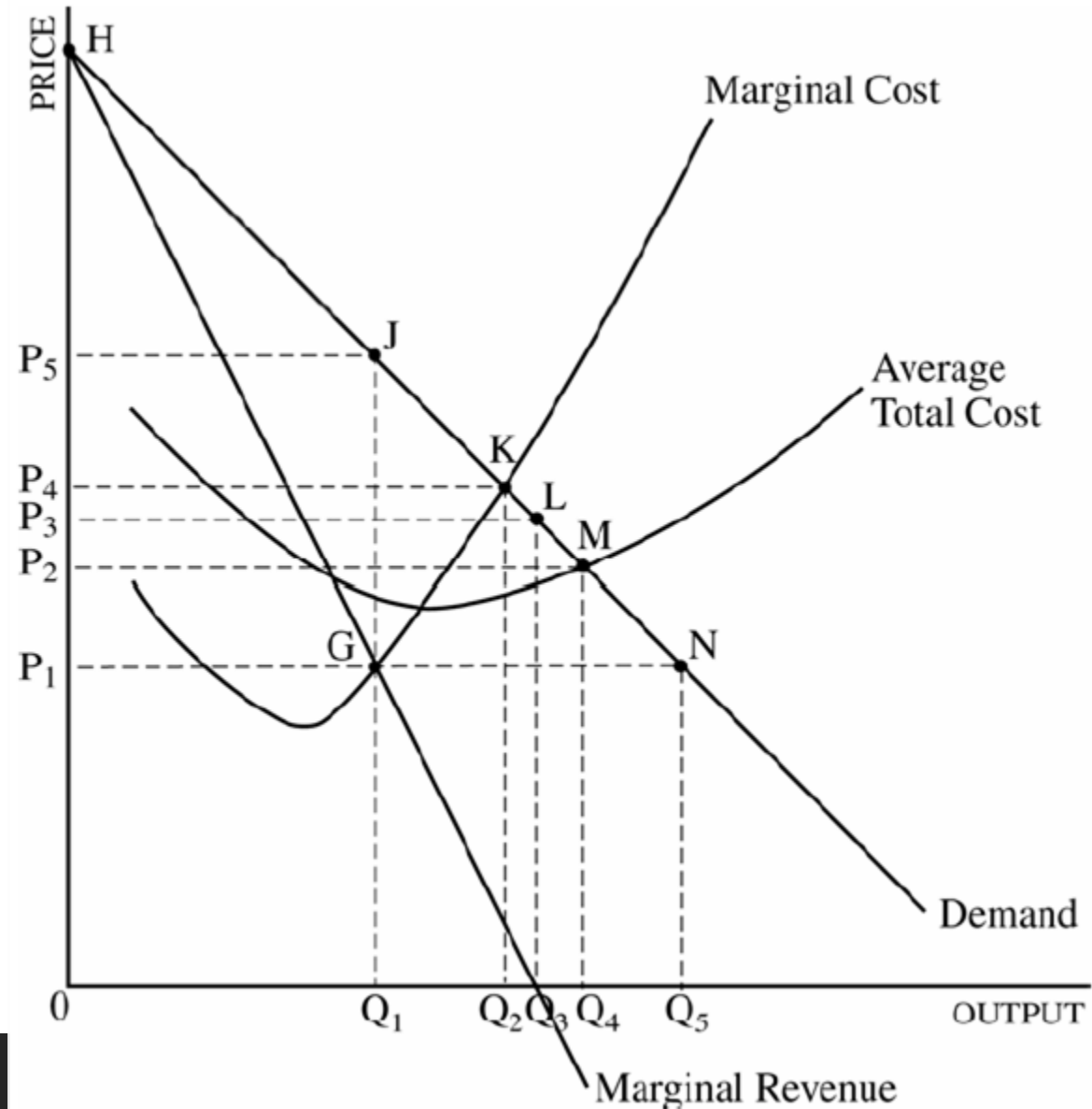
“INSKEEP: Do you believe the country is ready for the next financial crisis?”

“PAULSON: Yes, I agree with that. The other thing that I think is really important to keep in mind is the need for financial literacy. There are many well-educated people that don't really understand finance to the extent they should. Every American has got to be more vigilant and got to ask themselves, if I don't understand all the complicated language on this agreement, if I don't understand what's going on, I better work to understand that and make sure that I don't get myself overextended to the point where I can be seriously hurt by a reversal in markets or a downturn.”

25. A perfectly competitive firm is currently in longrun equilibrium. Its total revenue is \$100,000, and the average total cost of production is \$100. Which of the following can be concluded from this information?
- (A) The firm's marginal cost is \$1,000, and its profit is positive.
  - (B) The firm's marginal cost is \$1,000, and its profit is zero.
  - (C) The firm's output is 1,000 units, and its profit is negative.
  - ☒ (D) The firm's output is 1,000 units, and its profit is zero.
  - (E) The firm's output is 1,000 units, and its profit is positive.

39. If the monopolist chooses to maximize total revenue rather than total profit, it will choose which combination of price and output?

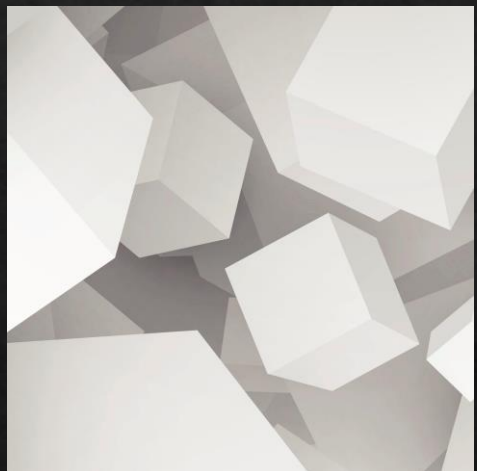
- |            | <u>Price</u> | <u>Output</u> |
|------------|--------------|---------------|
| (A)        | $P_1$        | $Q_5$         |
| (B)        | $P_2$        | $Q_4$         |
| <b>(C)</b> | $P_3$        | $Q_3$         |
| (D)        | $P_4$        | $Q_4$         |
| (E)        | $P_5$        | $Q_5$         |







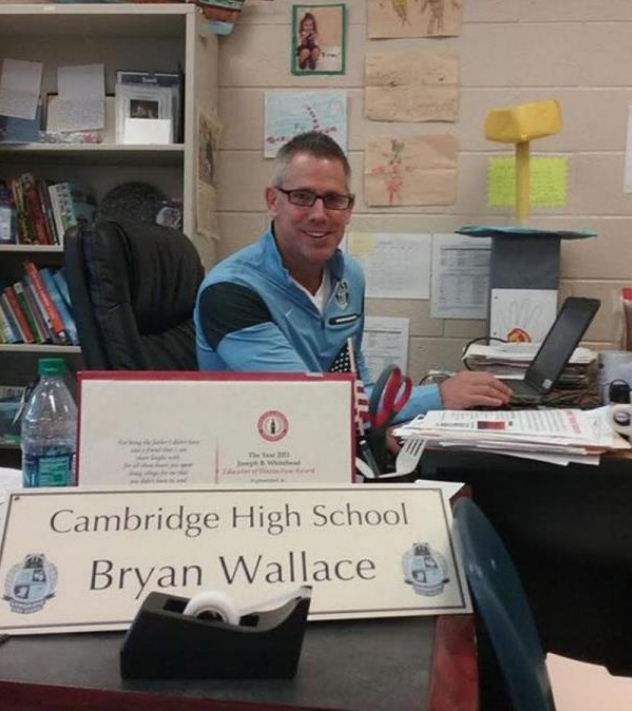
# About Me



- Born in Illinois but moved around a LOT
- Went to HS in Wheaton, IL
- Graduated from Indiana University –  
Bloomington
- Moved to Atlanta in 2004







## 20 years of teaching

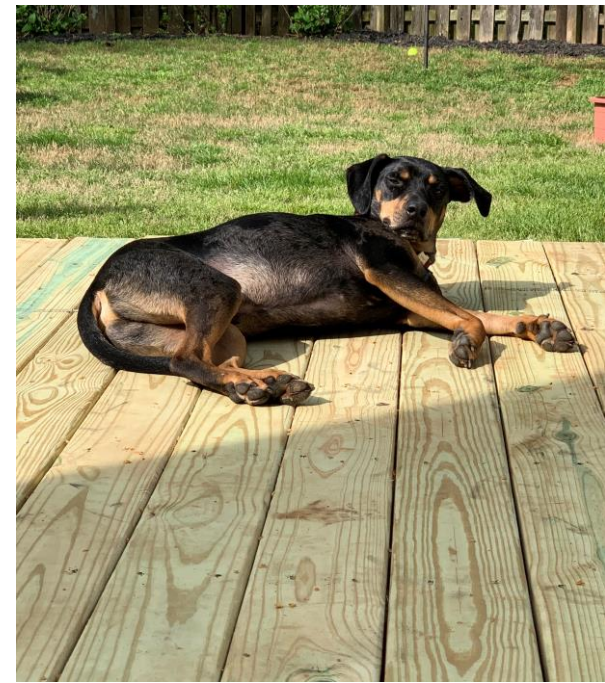
- ◆ Cross Keys HS 8 years
- ◆ Arabia Mountain HS 1 year
- ◆ Cambridge HS 9 years
- ◆ IA 3 years
- ◆ Varsity Soccer Coach 18 years
  
- ◆ AP Micro/Macro
- ◆ AP Gov
- ◆ AP World
- ◆ Esol PE!
- ◆ My dream class:
  - ◆ Global Poverty
  - ◆ AP Art History





# Family

- ◆ Wife Anne – married for 17 years
  - ◆ Works for Owens & Minor in HR
- ◆ Daughter Evyn -13
  - ◆ Loves art, science, theater, nature
- ◆ Son Brennan – 10
  - ◆ Loves ALL sports but especially baseball
- ◆ Dash – 5
  - ◆ Louisiana Catahoula – dumb but fun





# Interests

- ◇ Sports
- ◇ Exercise
- ◇ Reading
- ◇ Outdoors



# Class Expectations



Your learning is my priority and OUR responsibility



I would prefer not to overload you outside of the classroom. However, due to the scope of the material, sometimes you will be responsible for learning independently.



This means not only do I need you here EVERY DAY (to the extent that it is possible) and need your best effort every day, I also need you to be responsible enough to manage work outside of class.





# Micro vs. Macro

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## MICROeconomics-

Study of small economic units such as individuals, firms, and industries (ex: supply and demand in specific markets, production costs, labor markets, etc.)

## MACROeconomics-

Study of the large economy as a whole or economic aggregates (ex: economic growth, government spending, inflation, unemployment, international trade etc.)

# Course Framework

Unit 1: Basic Economic Concepts	Unit 2: Supply and Demand	Unit 3: Production, Cost, and the Perfect Competition Model	Unit 4: Imperfect Competition	Unit 5: Factor Markets	Unit 6: Market Failure and the Role of Government
12-15 %	20-25%	22-25%	15-22%	10-13%	8-13%

# Class Procedures/Access

- AP exam is in mid-May.
- Textbook: Krugman's Economics for the AP Course; 3rd Edition
  - A digital textbook option has been provided to students
- AP Classroom – This is how students sign up for the AP Exam
  - Each student has been provided with a class join code.
- A Daily Agenda will always be posted in TEAMS. There will be a daily agenda posted each day in TEAMS with the day's material and any links, assignments, or activities.
  - Students are responsible for the work and content posted there.



# Exam

- 60 Multiple-Choice Questions in 70 minutes (66% of score)
- 3 Free Response Questions (FRQ's) in 60 minutes (33% of score)
  - 1 long question; 2 short questions

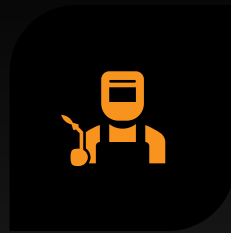
\*\*\*The two portions are administered in the same sitting.

# Communication and Attendance

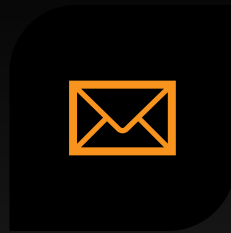
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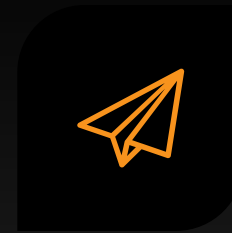
STUDENT ENGAGEMENT  
WILL LIKELY DETERMINE  
SUCCESS IN THE CLASS



OFFICE HOURS (T/TH  
FROM 8-8:30 OR BY  
APPOINTMENT))



STUDENTS EMAIL ME IF  
QUESTIONS OR  
CONCERNS ARISE  
OUTSIDE OF CLASS



CLASS UPDATES WILL BE  
SENT VIA INFINITE  
CAMPUS OR TEAMS



STUDENTS SHOULD  
CHECK TEAMS EVERY  
DAY!