

MahadtheMentor Road to a AP Microeconomics

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AP Microeconomics Exam Breakdown

Exam Format Overview

Section	Question Type	# of Questions	Exam Weighting	Timing
Section I	Multiple-Choice Questions (MCQ)	60	66.65%	70 minutes
Section II	Free-Response Questions (FRQ)	3 (1 long + 2 short)	33.35%	60 minutes (includes a 10-minute reading period)

Total Exam Time: 2 hours 10 minutes

Section I: Multiple-Choice Questions

The multiple-choice section is 60 questions in 70 minutes and counts for 66.65% of your score. Questions are a mix of discrete items and short scenario-based sets that often reference a graph, table, or short data prompt. As of the spring 2023 exam, a four-function calculator is permitted on both Section I and Section II.

Section II: Free Response

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Question	Type	Points	Stimulus	Notes
Q1	Long — Multi-part (typically markets, costs, or perfect competition)	10	Often includes a graph, table, or numerical scenario	Long-form, ~5–7 sub-parts. Frequently chains a quantity or price computed in (a) into later parts — use the consistency rule.
Q2	Short — Concept application	5	Brief scenario or none	Concise response, ~3 sub-parts. Often Unit 4 (Imperfect Competition) or Unit 5 (Factor Markets).
Q3	Short — Concept application	5	Brief scenario or none	Concise response, ~3 sub-parts. Frequently Unit 6 (Market Failure / Government).

Note: The College Board fixes the format (1 long worth 10 pts + 2 short worth 5 pts each = 20 raw points) but specific topics rotate year to year. The 60-minute Section II includes a mandatory 10-minute reading period — use it to outline Q1, since the long FRQ is half of your free-response score.

Unit Weighting and Big Idea Focus

Unit	Big Idea Focus	Exam Weight
Unit 1: Basic Economic Concepts	Scarcity and Markets · Costs, Benefits, and Marginal Analysis	12–15%
Unit 2: Supply and Demand	Scarcity and Markets · Market Inefficiency and Public Policy	20–25%
Unit 3: Production, Cost, and the Perfect Competition Model	Production Choices and Behavior · Costs, Benefits, and Marginal Analysis	22–25%
Unit 4: Imperfect Competition	Production Choices and Behavior	15–22%
Unit 5: Factor Markets	Production Choices and Behavior	10–13%

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Unit	Big Idea Focus	Exam Weight
Unit 6: Market Failure and the Role of Government	Market Inefficiency and Public Policy	8–13%

How Course Skills Are Assessed

Skill Category	MCQ Weighting	FRQ Weighting	Description
1. Principles and Models	30–42%	Assessed in Q1, Q2, Q3 (combined with Skills 2 & 3 for 50–70% of FRQ points)	Define economic principles and models — describe, identify, and compare concepts; identify a model from an example or quantitative data.
2. Interpretation	37–47%	Assessed in Q1, Q2, Q3	Explain given economic outcomes — explain how an outcome occurs, what action achieves an outcome, and interpret outcomes from quantitative data.
3. Manipulation	16–25%	Assessed in Q1, Q2, Q3	Determine outcomes of specific economic situations — calculate effects, predict shifts, and quantify impacts of changes on equilibrium.
4. Graphing and Visuals	Not assessed in MCQ	30–50% of FRQ points	Draw correctly labeled graphs, demonstrate situations on graphs, and show effects of changes — every FRQ has a graphing component.

Big Ideas Assessed

- Scarcity and Markets (MKT) — how individuals and societies allocate scarce resources, and how prices coordinate that allocation in markets
- Costs, Benefits, and Marginal Analysis (CBA) — rational decision-making at the margin: comparing marginal benefit to marginal cost
- Production Choices and Behavior (PRD) — how firms decide what to produce, how much to produce, and how to compete in different market structures

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- Market Inefficiency and Public Policy (POL) — when markets fail (externalities, public goods, inequality) and how government intervention can — or cannot — correct it

Common Task Verbs in Free-Response Questions

Task Verb	Definition
Identify (or What? Which? Will?)	Indicate or provide information about a specified topic, without elaboration or explanation. One-word or one-phrase answers are usually fine.
Explain	Provide information about how or why a relationship, pattern, position, situation, or outcome occurs, using evidence and/or reasoning. Graphs and symbols are acceptable as part of the explanation.
Calculate	Perform mathematical steps to arrive at a final answer. Showing work is required — set up the equation before plugging in numbers.
Draw a correctly labeled graph	Create a graph or visual representation that illustrates or explains relationships or phenomena. Labels are required — both axes, every curve, equilibrium points, and any shaded areas.
Show / Label / Plot / Indicate	Show, label, plot, or indicate an economic scenario on a graph or visual representation created by the student. Clearly labeling all axes and curves and showing directional changes (with arrows) where relevant is required.

Unit-by-Unit Review

A condensed walkthrough of every unit on the AP Microeconomics exam, drawn directly from the College Board Course and Exam Description (Effective Fall 2022). Use this section to spot-check your weakest units — the percentages reflect MCQ weighting.

Unit 1: Basic Economic Concepts (12–15% of MCQ)

Sets the foundation for the course. Because resources are scarce and human wants are unlimited, individuals and societies must make choices. Students learn to think on the margin — comparing marginal benefit to marginal cost — and to interpret the production possibilities curve to reason about opportunity cost, growth, and comparative advantage. This unit also introduces the graphing conventions you will use for the entire course.

Topics covered:

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- 1.1 Scarcity
- 1.2 Resource Allocation and Economic Systems
- 1.3 Production Possibilities Curve
- 1.4 Comparative Advantage and Trade
- 1.5 Cost-Benefit Analysis
- 1.6 Marginal Analysis and Consumer Choice

Unit 2: Supply and Demand (20–25% of MCQ)

The first of the two heaviest units on the exam. Markets coordinate the decisions of consumers and producers through prices. Students learn how shifts in demand and supply change equilibrium price and quantity, how to compute and interpret elasticities (price, income, cross-price), how consumer and producer surplus are measured on a graph, and how government interventions — price ceilings, price floors, taxes, subsidies, and tariffs — create deadweight loss and reallocate surplus. Master the difference between a movement along a curve and a shift of the curve.

Topics covered:

- 2.1 Demand
- 2.2 Supply
- 2.3 Price Elasticity of Demand
- 2.4 Price Elasticity of Supply
- 2.5 Other Elasticities
- 2.6 Market Equilibrium and Consumer and Producer Surplus
- 2.7 Market Disequilibrium and Changes in Equilibrium
- 2.8 The Effects of Government Intervention in Markets
- 2.9 International Trade and Public Policy

Unit 3: Production, Cost, and the Perfect Competition Model (22–25% of MCQ)

The most heavily tested unit on the MCQ. Students model the firm — production functions in the short and long run, the relationship between MC, ATC, AVC, and AFC (and why MC always intersects ATC and AVC at their minimums), and the profit-maximizing rule $MR = MC$. The unit culminates in perfect competition: in the short run, firms can earn profit, break even, or take losses (and follow the shutdown rule when $P < AVC$); in the long run, free entry and exit drive economic profit to zero at minimum ATC, where the firm is both productively and allocatively efficient.

Topics covered:

- 3.1 The Production Function
- 3.2 Short-Run Production Costs

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3.3 Long-Run Production Costs

3.4 Types of Profit

3.5 Profit Maximization

3.6 Firms' Short-Run Decisions to Produce and Long-Run Decisions to Enter or Exit a Market

3.7 Perfect Competition

Unit 4: Imperfect Competition (15–22% of MCQ)

Extends the firm model to monopoly, monopolistic competition, and oligopoly. The $MR = MC$ rule still sets quantity, but because firms face a downward-sloping demand curve, MR no longer equals price. For a linear demand curve, the MR curve has the same intercept and twice the slope. Students compute deadweight loss from monopoly, analyze price discrimination, contrast monopolistic competition's long-run zero-profit equilibrium with perfect competition (excess capacity, $P > MC$), and use payoff matrices and dominant-strategy reasoning for oligopoly and game theory.

Topics covered:

4.1 Introduction to Imperfectly Competitive Markets

4.2 Monopoly

4.3 Price Discrimination

4.4 Monopolistic Competition

4.5 Oligopoly and Game Theory

Unit 5: Factor Markets (10–13% of MCQ)

Applies supply-and-demand and the $MR = MC$ logic to inputs — primarily labor. Demand for a factor is derived demand: firms hire labor up to the point where the marginal revenue product (MRP) equals the marginal factor cost (MFC). In a perfectly competitive labor market, MFC equals the wage. In a monopsony, MFC lies above the labor supply curve, so the firm hires fewer workers and pays a lower wage than the competitive outcome. Minimum-wage and union effects in monopsony often appear on the FRQ .

Topics covered:

5.1 Introduction to Factor Markets

5.2 Changes in Factor Demand and Factor Supply

5.3 Profit-Maximizing Behavior in Perfectly Competitive Factor Markets

5.4 Monopsonistic Markets

Unit 6: Market Failure and the Role of Government (8–13% of MCQ)

The lightest unit on the MCQ , but a frequent FRQ topic. Markets fail when private decisions don't reflect social costs or benefits. Students draw the divergence between marginal social benefit/cost and marginal private benefit/cost for positive and negative externalities, and identify

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the corrective Pigouvian tax or subsidy that internalizes the externality. The unit also covers public goods (non-rival, non-excludable, free-rider problem), the Lorenz curve and Gini coefficient for inequality, and the equity-efficiency trade-off in redistribution policy.

Topics covered:

6.1 Socially Efficient and Inefficient Market Outcomes


6.2 Externalities

6.3 Public and Private Goods

6.4 The Effects of Government Intervention in Different Market Structures

6.5 Inequality

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