

AP Economics Lesson Plan: MONOPOLY

Objective: Communicate the idea of perfect competition by creating the four variables of the market quantity of manufacturers, quantity of identical products, numerous buyers of identical units, and free market entry/exits consistent with production of identical goods.

Time: 20 minutes

Materials: Laptops with Internet (and Internet access) and Internet-enabled tablets.

Procedure:

1. Ask students starting by how "perfect competition" is commonly described. Ask if people remember something, give them the following definition: a market in which all elements of competing are identical and the market price of a commodity is beyond the control of individual buyers and sellers.
2. Ask students if they give you examples of products they use regularly other than textbooks, commonly purchased goods, etc.
3. Have students take a minute and draw a diagram for themselves for one setting, with the conditions of perfect competition: all are the same and the product is the same. Have the students create the chart or distribution using Excel.

	Units of Output (Q)	Market Price	Market Quantity (Q _{market})	Price Elasticity (E _P)
Product A				
Product B				
Product C				
etc.				

4. Divide the students in many groups so you have enough products and groups and group a product to research. Give them roughly 10 minutes to do so. They must have at least 3 similar sources to confirm their findings.
5. Get a representative from each group to come up to the front of the classroom record their conclusions (prices in each column will be fine). Once all the products have been recorded for, divide each column into sections and have the groups analyze their results. Make comparisons with the other products' information and create charts, including notes of description at the bottom of the chart.

Homework: Read through chapter 10 in the textbook and answer questions 7-13 on page 203.