**AP Microeconomics Essay / Minneapolis Fed Essay Contest**

**What is the value of higher education?**

Rough draft of essay, is due on November 15, 2011 (Minimum of five paragraphs)

**REQUIREMENTS:**

1. The essay text is limited to three (3) double-spaced, 12-point font, single-sided, numbered pages with one-inch margins.  The title page and bibliography are not included in the three pages.
2. References should be included and clearly identified.

**Essay Topic Primer**

Like many other high school students, you are probably weighing your options for what to do after graduation. Young people have many choices to make at this time in their lives—whether to attend college versus technical school or other post-secondary education options; what to study; where to study and whether to continue formal education at all or just start working.

There are plenty of factors to weigh in making these choices. Family an d social expectations are important and, of course, what would be the most fun. But the decision is fundamentally an economic one. Going to school can be quite costly (even if you are fortunate enough not to pay out of pocket), and it is a major investment in your future. Exactly how to weigh these considerations is different for everyone, but it has tremendous significance both for individuals and for society as a whole.

This primer is intended to get students thinking about the topic. It is far from the last word on the value of education, but rather is a stepping-off point for students who want to write a good essay. Additional information will be posted under the writing guide at <http://www.minneapolisfed.org/community_education/student/essay/>

**Economic Principles to Keep in Mind**

The following six concepts are key to evaluate trade-offs and reason economically. Students participating in the essay contest are encouraged to review these concepts and incorporate at least one into their essays.

1. Opportunity Cost: There is No Such Thing as a Free Lunch air").

2. Marginal Analysis: Thinking Incrementally

3. Markets: Coordinating Consumption and Production

4. Prices

5. Trade and Specialization

6. Market Failure

**Sources:** Bibliography list, *coming soon,* of resources to get you thinking about the essay question. A lot of information on this topic is available, and this list shouldn’t be considered exhaustive, but a starting point. Remember, creative research will be rewarded, so a trip to your library could pay off.