

**AP<sup>®</sup> MICROECONOMICS**  
**2010 SCORING GUIDELINES (Form B)**

**Question 2**

**6 points** (1 + 2 + 1 + 1 + 1)

(a) 1 point:

- One point is earned for calculating the marginal product of the third worker:  $\$450/\$5$  per unit = 90 units.

(b) 2 points:

- One point is earned for defining the law of diminishing returns: as more and more units of a variable input are added to a fixed input, the output increases at a decreasing rate.
- One point is earned for the explanation that diminishing returns occur because of the overuse of the fixed input.

(c) 1 point:

- One point is earned for stating that diminishing marginal returns first occur with the hiring of the third worker.

(d) 1 point:

- One point is earned for stating \$300.

(e) 1 point:

- One point is earned for stating that the demand for labor will increase because the increase in the product price raises the marginal revenue product of labor.