

Place your name on the back of this sheet of paper and nowhere else. Staple your answers face up on the front of this sheet of paper. Failure to follow these directions will cost you 1 point. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to type it will cost you 10 points. If you use double-sided printing or print on the back of scrap paper, I will give you one additional point.

- 1) (20 points) Draw the supply and demand for tablet computers. Illustrate the effects of an increase in income. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?
- 2) (20 points) Draw the supply and demand for cell phones. Illustrate the effects of the news that cell phones can lead to brain cancer. (Some scientists believe this to be true.) Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?
- 3) (20 points) Draw the supply and demand for doors. Illustrate the effects of an increase in the price of wood. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?
- 4) (20 points) Draw the supply and demand for leather purses. Illustrate the effect of an increase in the price of leather coats. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?
- 5) (20 points) Draw the supply and demand for bread. Illustrate the effects of a ceiling on bread. Explain the changes in your diagram. Prove that the consumers are hurt by the ceiling.