

Place your name on the back of this sheet of paper and nowhere else. Staple your answers 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) Illustrate an increase in the population on the supply and demand for televisions. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?
- 2) (20 points) Illustrate an increase in the price of fertilizer on the supply and demand for corn. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?
- 3) (20 points) Illustrate an increase in the price of eggs on the supply and demand for cereal. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?
- 4) (20 points) Illustrate an increase in the price of wooden desks on the supply and demand for doors. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?
- 5) (20 points) Illustrate a price floor on the supply and demand for corn. Explain why you drew the diagram as you did. What problem is caused by that? If the government does nothing, then how would the problem be “solved”? Explain your logic.