

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) Illustrate the effects of a new fertilizer on the PPF for canned tuna versus corn. Explain why the curve moved as drawn.
- 2) (20 points) Illustrate the effects of an increased population on the PPF for bread versus cars. Explain why the curve moved as drawn.
- 3) (20 points) Illustrate the effects of increase in income of most people on the supply and demand for movies. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?
- 4) (20 points) Illustrate the effects of an increase in the price of gasoline on the supply and demand for large cars. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?
- 5) (20 points) Illustrate the effects on an increase in the number of firms producing briefcases on the supply and demand for briefcases. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold?