

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 10 points. 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 diagram for bison burgers. Illustrate the effects of people discovering that they taste like beef but are healthier to eat than beef. Explain why the curve(s) moved as drawn. What happens to the price charged and the quantity sold?
- 2) (20 points) Draw the supply and demand diagram for wooden desks. Illustrate the effects of the price of wood going up. Explain why the curve(s) moved as drawn. What happens to the price charged and the quantity sold?
- 3) (20 points) Draw the supply and demand diagram for school buses. Illustrate the effects of an increase in the price of trucks used in shipping. Explain why the curve(s) moved as drawn. What happens to the price charged for school buses and the quantity of school buses sold?
- 4) (20 points) Draw the supply and demand diagram for rental apartments. Illustrate the effects of rent controls, i.e., a ceiling on the price of rent. Explain why the curve(s) moved as drawn. Prove that the renter is hurt.
- 5) (20 points) Draw the supply and demand diagram for bananas. Illustrate the effects of the government putting a quota on the number sold. Explain why the curve(s) moved as drawn. Are consumers and producers helped or hurt? Explain your logic.