

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 improved fertilizer on the PPF for apples versus computers. Explain why the curve moved as drawn.
- 2) (20 points) Illustrate an increase in the number of consumers on the supply and demand for tea cups. Explain why the curve(s) moved as drawn. What happens to the price charged and the quantity sold?
- 3) (20 points) Illustrate an increase in price of wood on the supply and demand for doors. Explain why the curve(s) moved as drawn. What happens to the price charged and the quantity sold?
- 4) (20 points) Illustrate an increase in the price of coffee on the supply and demand for coffee mugs. Explain why the curve(s) moved as drawn. What happens to the price charged and the quantity sold?
- 5) (20 points) Illustrate an increase in the price of ethanol on the supply and demand for wheat. Explain why the curve(s) moved as drawn. What happens to the price charged and the quantity sold?