

Name: _____

Unit II Study Guide

Use Chapter 4, and the notes/work from class, to answer the questions/prompts below. Answer on a separate sheet of paper.

1. What is demand?
2. What is the *law of demand*?
3. What are 6 causes of changes in demand?
4. Key terms:
 - a. Income effect
 - b. Substitution effect
5. What's the difference between *elastic* demand and *inelastic* demand?

Use Chapter 5 to answer the questions/prompts below.

6. What is supply?
7. What is the *law of supply*?

Use Chapter 6 to answer the questions/prompts below.

8. List and explain at least 3 of the 6 factors that determine equilibrium price.
9. Key Terms:
 - a. Price
 - b. *Equilibrium Price*
 - c. Surplus
 - d. Shortage

Use Chapter 7 to answer the questions/prompts below

10. List and describe the 4 types of market structures.
11. List and describe at least 2 different types of federal regulatory agencies. What are the names, and what do the agencies do?