**Shifting Supply and Demand**

Watch Jacob Clifford’s video titled “Econ 2.3 Shifting Demand and Supply” found at <https://www.youtube.com/watch?v=V0tIOqU7m-c>and answer the following questions as indicated.

1. Fill in the blanks:
	1. A decrease in demand leads to a in the demand curve to the

 and causes price to go and quantity to go .

* 1. A decrease in supply leads to in the supply curve to the

 and causes price to go and quantity to go .

* 1. An increase in demand leads to a in the demand curve to the

 and causes price to go and quantity

to go .

* 1. An increase in supply leads to a in the supply curve to the

 and causes price to go and quantity to go .

1. List the factors that shift the demand curve and the factors that shift the supply curve.
2. When demand goes up, what happens to price and quantity?
3. P goes up and Q goes down
4. P goes down and Q goes up
5. P and Q go down
6. P and Q go up
7. One change in P or Q will be indeterminate
8. When supply goes up, what happens to price and quantity?
9. P goes up and Q goes up
10. P goes down and Q goes down
11. The change is the same
12. Neither P nor Q change
13. One change in P or Q will be indeterminate

Next, watch Jacob Clifford’s video titled “Econ 2.6 Double Shifts in Supply and Demand” found at <https://www.youtube.com/watch?v=YuLWX9vcQBo>and answer these questions.

1. What is one of the major goals of economic analysis?
2. When there are “double shifts” of supply and demand going in opposite directions, what is bound to happen?

# Shifting Supply and Demand Answer Key

## Watch Jacob Clifford’s video titled “Econ 2.3 Shifting Demand and Supply” found at <https://www.youtube.com/watch?v=V0tIOqU7m-c>and answer the following questions as indicated.

1. Fill in the blanks:
	1. A decrease in demand leads to a in the demand curve to the

 and causes price to go and quantity to go

 . *(shift, left, down, down)*

* 1. A decrease in supply leads to a in the supply curve to the

 and causes price to go and quantity to go

 . *(shift, left, up, down)*

* 1. An increase in demand leads to a in the demand curve to the

 and causes price to go and quantity to go

 . *(shift, right, up, up)*

* 1. An increase in supply leads to a in the supply curve to the

 and causes price to go and quantity to go

 . *(shift, right, down, up)*

1. List the factors that shift the demand curve and the factors that shift the supply curve. *(demand: change in tastes and preferences, change in number of consumers, change in price of related/substitute goods and services, change in income, expectations – supply: change in input prices, change in price of related goods and services, change in number of producers, change in technology, change in taxes/subsidies, expectations)*

## When demand goes up, what happens to price and quantity? *(D)*

1. P goes up and Q goes down
2. P goes down and Q goes up
3. P and Q go down
4. P and Q go up
5. One change in P or Q will be indeterminate
6. When supply goes up, what happens to price and quantity? *(B)*
7. P goes up and Q goes up
8. P goes down and Q goes up
9. The change is the same
10. Neither P nor Q change
11. One change in P or Q will be indeterminate

Next, watch Jacob Clifford’s video titled “Econ 2.6 Double Shifts in Supply and Demand” found at [www.youtube.com/watch?v=YuLWX9vcQBo](http://www.youtube.com/watch?v=YuLWX9vcQBo) and answer these questions.

1. What is one of the major goals of economic analysis? *(to identify what happens to equilibrium price and quantity under different conditions)*
2. When there are “double shifts” of supply and demand going in opposite directions, what is bound to happen? *(An indeterminate result in price or quantity)*