1. When the price of a good increases, the ______ for the good increases.
   A. quantity demanded  B. demand  C. quantity supplied  D. supply

2. When the price of a good increases, the ______ for the good decreases.
   A. quantity demanded  B. demand  C. quantity supplied  D. supply

3. Find the equilibrium price and quantity for a good with the following supply and demand curves:
   \[ Q^S = 5 + 7P \]
   \[ Q^D = 75 - 5P \]
   A. 5.83  B. 5  C. 6  D. 4.78

4. Suppose Florida experiences a particularly long winter. What will happen to the market for oranges? (Circle all that apply)
   A. The supply of oranges will shift left
   B. The demand for oranges will shift right
   C. The quantity of oranges demanded will decrease
   D. The quantity of oranges supplied will increase

5. Suppose both the supply curve and the demand curve for a given good shift to the right. What is the effect on the equilibrium price and quantity for the good?
   A. quantity increases, price increases
   B. quantity increases, price decreases
   C. quantity indeterminant, price increases
   D. quantity increases, price indeterminant

6. Suppose supply curve of a good is given by
   \[ Q^S = 8 + 13P \]
   and suppose initially the price was $2, but then it changes to $3. Compute the own-price elasticity of supply using the midpoint between the old and new prices/quantities for the base.
   A. 0.4  B. 0.6  C. 0.8  D. 0.9

7. If the own-price elasticity of demand for carrots is high, then:
   A. When the price of carrots changes a lot, the quantity of carrots demanded will only change a little
   B. When the price of carrots changes a little, the quantity of carrots demanded will change a lot
   C. When the price of ranch dressing changes a little, the quantity of carrots demanded will change a lot

8. If beer’s cross price elasticity of demand with wine is \( E_{BW} = .14 \) then beer and wine are
   A. substitutes  B. complements  C. neither substitutes nor complements

9. Suppose the income elasticity of demand for a good is \( E^I = -.1 \). Then the good is
   A. an inferior good  B. a normal good  C. a luxury good

10. Suppose a scientific breakthrough suddenly allows engineers to construct nuclear power plants using nuclear fission. What will happen to the own-price elasticity of demand for coal? (\( E^D_{coal} \))
    A. \( E^D_{coal} \) will increase in magnitude (farther away from zero)
    B. \( E^D_{coal} \) will decrease in magnitude (closer to zero)
    C. \( E^D_{coal} \) will not change.