Define the LAW OF SUPPLY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Jelly Beans**

P

**Directions:** Explain what happens to the **Supply Curve** after each scenario and give the specific **Determinant of Supply** to explain why it shifted of did not shift.

S

1. The price of jelly beans doubles? Q
2. The FDA announces that jelly beans cause cancer?
3. The Chinese suddenly take over the sugar market?
4. The President issues a mandate that forces all citizens to consume 3 servings of jelly beans daily?

**Leonardo da Vinci Paintings**

P S

Q

1. What happens to the **Supply Curve** if people are willing to pay $1 billion for a da Vinci painting? Why?

**Notebook Paper**

P $5 S

$4

$3

$1

1 2 3 4 5 6 7 Q (in millions)

1. What happens to the **Quantity Supplied (Qs)** if the price increases from $1 to $5?
2. What happens to **Supply** if suddenly all the pine trees burn up?
3. What happens to **Supply** if the EPA banned the use of all notebook paper in public schools?
4. What happens to **Supply if the** Paper Mill Union demands all workers’ wages increase by 50% or they will strike?