

## Economics Mid-term

### Supply and demand/ Market structures (1-2 people)

Your entire project will focus on one teacher approved product that you select. Sections 1-3 will be completed in class and at home before the presentation. Section 4: You will be assigned a factor in class the day before the presentation. You will have 20 minutes to complete it prior to your presentation.

#### Section 1 (20pts)

- What is the product? Include a visual.
- 2 examples of suppliers
- What is the elasticity of demand? Why?
- What is the elasticity of supply? Why?
  - What are the risks to increasing supply?
- Market structure- Use a simple chart with illustrations (Use the charts from your chart as outline)
  - What is the market structure?
  - Number of firms (suppliers). Use real examples.
  - Variety of goods. What is the variety if any, such as color, quality etc..
  - Barriers to entry. What obstacles are there to starting a business in this market?
  - How much control do they have over prices? Why?
- Government involvement
  - One example of government involvement in this market. Use cost benefit analysis to determine whether the government should be involved. A cost benefit chart should be used.
  - Based on your analysis what is your recommendation regarding the government involvement?
- One interesting fact about your product

#### Section 2 (20pts)

Your choice of a poem, cartoon strip, picture, or song to reveal three things:

- Things your product is used for and/or what goes into making it?
- How does it impact the economy?

#### Section 3 (20pts)

Find a current event related to your product. In your write-up/political cartoon include the following:

- Summary
  - Source and when?
  - What is happening to prices and why?
- Is the market in equilibrium? Why?
  - If yes (support with evidence) what could cause it to change?
  - If no (support with evidence) what will the new equilibrium look like?
- Supply and Demand graph showing what is happening in your article.

#### Section 4 (20pts) (Hypothetical cause and effect)

You will create a hypothetical scenario based on either change in supply or demand for your product. A day or two before the presentation day you will be assigned a factor (ie input costs) that if it changed would cause a shift in either demand or supply. Include the following

- What was the equilibrium prior to the change?
- A description of the factor and what is changing about it?
- What will the market look like before a new equilibrium is achieved? (will there initially be a shortage or a surplus)
- What will the new equilibrium be? (ie the price will go up, go down, no change)
- A supply and demand graph depicting your scenario.

#### Presentation (20pts)

Your group will make a 2-4 minute presentation regarding your product and your poster. You will present your project to the class and answer questions related to the four sections. Presentation will be graded on how well you articulate the major points of your poster, visual impact of your poster (organized, shows effort), whether your analysis is sound and correct, and your ability to answer any questions from the audience.