Eco11 Unit 2 Test Outline

Be able to determine between elastic, inelastic and unitary demand and supply curves.

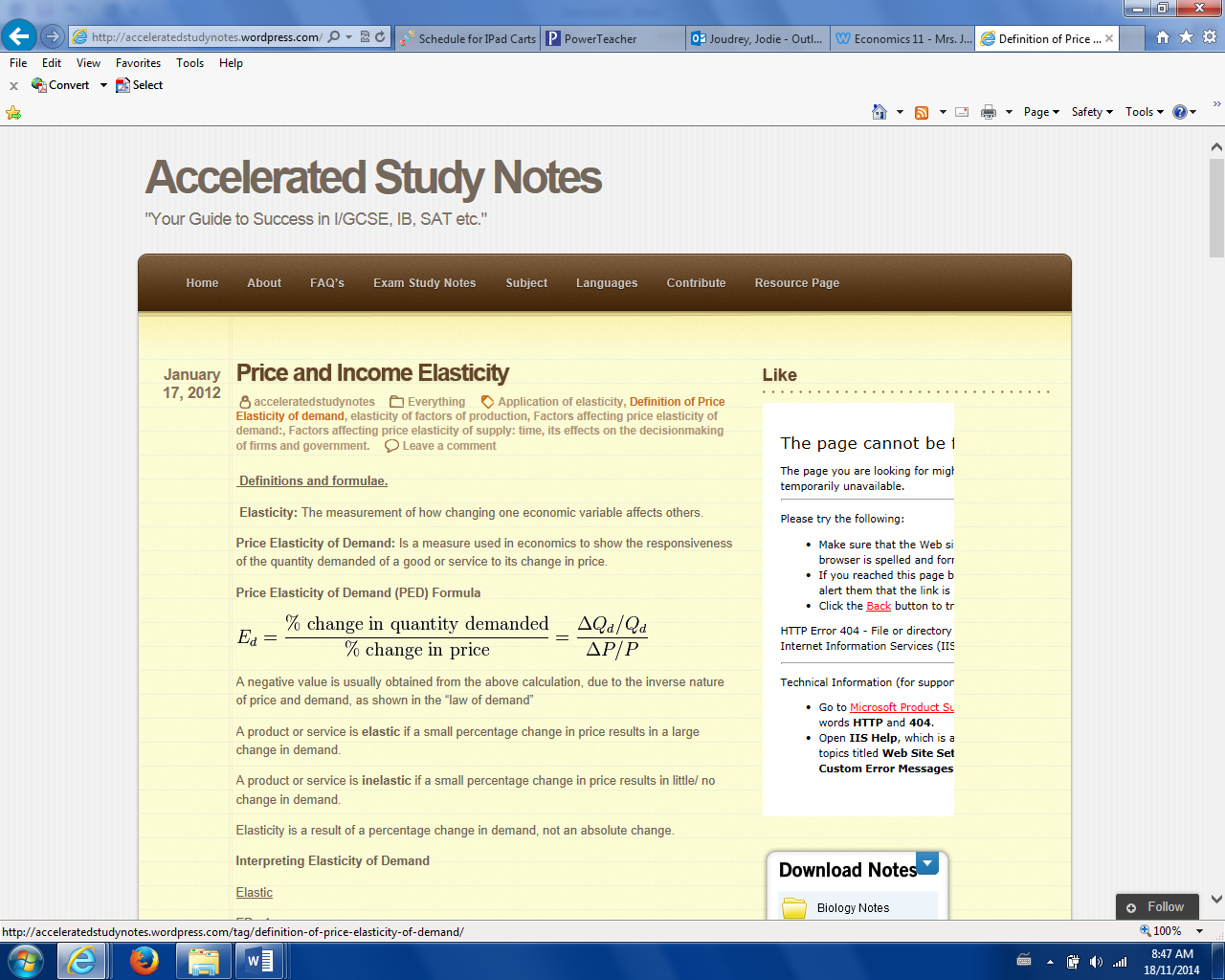
Draw graphs and then show the result based on a scenario that causes a shift in the demand or supply curve and tell me what would happen (shortage or surplus) if they continued to sell at the old equilibrium price.

Know the difference between items that have elastic or inelastic demand or supply

Know the different types of business organizations

Know how to calculate the coefficient of demand or supply elasticity and be able to describe what this means.

You will be given this:



Be able to draw a demand and supply curve and what would happen if the government set a floor or ceiling price and what is the usual result (shortage or surplus).

Know the definitions covered in this unit including marginal and total utility.

Anything else covered in this unit can be included on the test but I would focus first on making sure I know the items listed above.

Good Luck!