

5. For the following scenarios, pick one of the following scenarios. Then write out how the demand or supply changes and show the old and new market equilibrium using demand and supply curves. (You can either volunteer and pick one option, or I will assign them to you 😊)
- a) In the market for bottled water after a NWS warning regarding a tropical storm and flooding next week.
 - b) In the market for groceries after Amazon enters the grocery business.
 - c) In the market for winter jackets, after an El-Nino leading to an unseasonably warm winter.
 - d) In the market of avocados, after a severe hail storm in California.
 - e) In the market of e-cigs and vapes, after a warning from the FDA.
 - f) A change in law that limits the sale of candies to only those above the age of 25.
 - g) The market for traditional cars, after a breakthrough in battery technology that leads to cheap electric cars.
 - h) The market for taxi cabs in a city when Uber and Lyft enter (Note you can treat this as separate markets or a single market)
 - i) The price of a Big Mac at McDonald's after minimum wage is raised to \$15.
 - j) The market for Game of Throne books after HBO creates a show on it.

Do this last, at the end of the class, once I have introduced the topic

6. Draw a typical RBC showing at least two whole cycles. Label the location of the economy on RBC as you can best guess it during
- A) 2001 (Hint there was a small recession)
 - B) 2005
 - C) 2009
 - D) 2014
 - E) 2017