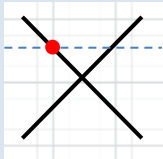
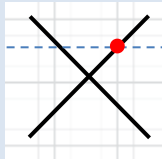


CONCEPT: BIG DADDY SHIFT SUMMARY

	DEMAND	SUPPLY
Directly Proportional	<p>(INSPEC)</p> <p><u>I</u>ncome: <u>N</u>ormal Goods Consumer Income $\uparrow \rightarrow$ Demand for Normal Goods \uparrow</p> <p><u>S</u>ubstitutes Price of Substitute $\uparrow \rightarrow$ Demand for Good \uparrow</p> <p><u>P</u>references for a Good Preferences for Good $\uparrow \rightarrow$ Demand for Good \uparrow</p> <p><u>C</u>onsumer <u>E</u>xpectations Expected Future Price $\uparrow \rightarrow$ Demand for Good (now) \uparrow</p> <p><u>N</u>umber of <u>C</u>onsumers Number of Consumers $\uparrow \rightarrow$ Demand for Good \uparrow</p>	<p>(NESTS)</p> <p><u>N</u>ature "Good" Nature Event \rightarrow Supply of Good \uparrow</p> <p><u>P</u>roducer <u>E</u>xpectations of Future Price: <u>H</u>ire Hiring new workers \rightarrow Supply of Good \uparrow</p> <p><u>S</u>ubsidies Subsidies $\uparrow \rightarrow$ Supply of Good \uparrow</p> <p><u>T</u>echnology Technology $\uparrow \rightarrow$ Supply of Good \uparrow</p> <p><u>N</u>umber of <u>S</u>uppliers Number of Suppliers $\uparrow \rightarrow$ Supply of Good \uparrow</p>
Inversely Proportional	<p><u>I</u>ncome: <u>I</u>nferior Goods Consumer Income $\uparrow \rightarrow$ Demand for Inferior Goods \downarrow</p> <p><u>C</u>omplements Price of Complement $\uparrow \rightarrow$ Demand for Good \downarrow</p>	<p>(SITE)</p> <p><u>S</u>ubstitute in Production Price of Substitute in Prod. $\uparrow \rightarrow$ Supply of Good \downarrow</p> <p><u>I</u>ntput Prices Input Price $\uparrow \rightarrow$ Supply of Good \downarrow</p> <p><u>T</u>axes Taxes $\uparrow \rightarrow$ Supply of Good \downarrow</p> <p><u>P</u>roducer <u>E</u>xpectations of Future Price: <u>S</u>torage Storing current production \rightarrow Supply of Good \downarrow</p>
Change in Price	<p>Change in Price \rightarrow Change in Quantity Demanded A change in the price of a good does not shift the demand curve, we move along the demand curve.</p> 	<p>Change in Price \rightarrow Change in Quantity Supplied A change in the price of a good does not shift the demand curve, we move along the demand curve.</p> 

PRACTICE: What happens in the market for corn if the government decides to subsidize farmers?

- a. Demand shifts to the left
- b. Demand shifts to the right
- c. Supply shifts to the left
- d. Supply shifts to the right

PRACTICE: What happens in the market for corn if the price of wheat, a substitute in production, decreases?

- a. Demand shifts to the left
- b. Demand shifts to the right
- c. Supply shifts to the left
- d. Supply shifts to the right

PRACTICE: What happens in the market for corn if producers expect a future price increase, and begin to put production into storage?

- a. Demand shifts to the left
- b. Demand shifts to the right
- c. Supply shifts to the left
- d. Supply shifts to the right