

# Demand Problem Set

## Principles of Microeconomics

July 11, 2025

### Instructions

Please answer on a separate sheet of paper and submit on Gradescope.

### Multiple Choice

Please briefly explain your choice. One sentence is sufficient.

1. A change in which of the following will not shift the demand curve for hamburgers?
  - (a) the price of hot dogs
  - (b) the price of hamburgers
  - (c) the price of hamburger buns
  - (d) the income of hamburger consumers
2. Which of the following will shift the demand curve for pizza to the right?
  - (a) an increase in the price of hamburgers, a substitute for pizza
  - (b) an increase in the price of root beer, a complement to pizza
  - (c) the departure of college students, as they leave for summer vacation
  - (d) a decrease in the price of pizza
3. If pasta is an inferior good, then the demand curve shifts to the \_\_\_\_\_ when \_\_\_\_\_ rises.
  - (a) right; the price of pasta
  - (b) right; consumers' income
  - (c) left; the price of pasta
  - (d) left; consumers' income

## Free Response

4. Does a change in consumers' tastes lead to a movement along the demand curve or to a shift in the demand curve? Does a change in price lead to a movement along the demand curve or to a shift in the demand curve? No explanation necessary.
5. Harry's income declines and as a result, he buys more pumpkin juice. Is pumpkin juice an inferior or a normal good? What happens to Harry's demand curve for pumpkin juice? Two sentences are sufficient.
6. When the weather turns warm in New England every summer, what happens to the demand curve for hotel rooms in Caribbean resorts? One sentence is sufficient.
7. Consider the market for minivans. For each of the events listed here, explain whether demand increases or decreases. One sentence for each is sufficient.
  - (a) People decide to have more children.
  - (b) The price of sports utility vehicles rises.
  - (c) A stock market crash lowers people's income.
8. For each pair, identify whether they are complements or substitutes:
  - (a) Film streaming and TV screens
  - (b) Film streaming and movie tickets
  - (c) TV screens and movie tickets
9. What effect does each of the following have on demand for sweatshirts? One sentence for each is sufficient.
  - (a) The price of leather jackets falls.
  - (b) All colleges require morning exercise in appropriate attire.