Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Pd. \_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_

Chapter 3

Demand

What does it take to have a market?

How do incentives work in the market system?

What is demand? What are the two most common ways demand is illustrated?

What is the law of demand?

What is the price effect?

What are substitutes?

What is market demand?

Define price elasticity of demand:

What three factors effect the demand elasticity of products?

What is the difference between the price effect and a change in demand?

List and describe the factors that would cause demand to shift?

When demand shifts to the left it:

When demand shifts to the right it: