

Name: _____

Class: _____

Law of Supply Worksheet

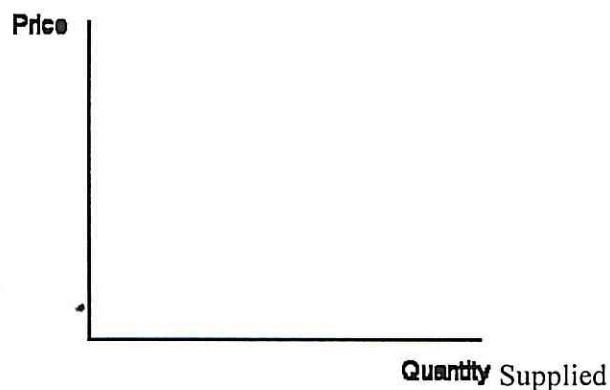
Answer the following questions:

Steps to determining a supply curve:

1) Which group are we talking about with supply curves, producers or consumers?

2) What is the relationship between price and the quantity supplied? (If price is set high then what is the effect on the quantity supplied)

3) Demonstrate this relationship of price and quantity supplied using the graph below: (Which direction does the curve follow for quantity supplied?)



4) Following the model for quantity supplied demonstrated in the graph above, come up with the quantity demanded and complete this supply schedule? (You can pick any quantity supplied as long as it fits the relationship between price and quantity supplied)

Price	Quantity Supplied
\$50	_____
\$40	_____
\$30	_____
\$20	_____

5) Why would the supplier want to keep the supply low for a lower prices? What is the supplier after?