**Learning Goals Outline: Chapter 2, Demand and Supply**

The Role of Demand

What is demand?

Demand vs. Quantity Demanded

The Law of Demand

The Demand Curve and Demand Schedule

The Veblen Effect and Conspicuous Consumption

Market Demand

Changes in Demand (Demand Factors)

Number of Buyers

Income

Normal vs. Inferior Products

Prices of Other Products

Substitutes vs. Complementary Products

Consumer Preferences

Consumer Expectations

The Role of Supply

What is Supply?

Quantity Supplied vs. Supply

The Law of Supply

The Supply Curve and Supply Schedule

Changes in Supply (Supply Factors)

Number of Producers

Resource Prices

State of Technology

Changes in Nature

Prices of Related Products

Producer Expectations

How Competitive Markets Operate

Market Equilibrium

What is a surplus?

Effects of a Surplus

What is a shortage?

Effects of a Shortage

The Role of Price

Changes in Demand

Changes in Supply

Changes in Both Demand and Supply

Chapter Questions: (52-55)

1. a, b), c),

2. a), b), c),

3. a), c), e), g), i), k), m), o),

4. a), b), c), d),

5. a), b), c), d),

6. a), d),

7. a), b), c), e),

8. a), b), c),

9, a), c),

11. a), b),

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