

**Mr. Reisbord**  
**Economics – Study Guide**

**Unit 2 Test – Chapters 4, 5, 6, and 7**

1. Law of Demand –
  
2. Substitutes–
  
3. Complements –
  
4. Elasticity of demand –
  
5. Elastic –
  
6. Inelastic-
  
7. Calculate the elasticity of demand for a decrease in the price of a hamburger from \$2.50 to \$2.00 which causes an increase in sales from 500 to 750 hamburgers.
  
8. Normal Goods – (define and give examples)
  
9. Inferior Goods – (define and give examples)
  
10. Ceteris Paribus –
  
11. What causes a shift in the demand curve? (Four factors discussed in the textbook)

12. Supply –

13. Law of Supply –

14. Elasticity of Supply –

15. Subsidy –

16. Excise Tax –

17. What causes the supply curve to shift?

18. Marginal Product of Labor –

19. Specialization –

20. Equilibrium –

21. Price Ceiling -

22. Price Floor

23. Surplus –

24. Shortage –

25. Oligopoly –

26. Monopoly –

27. Monopolistic Competition –

28. Perfect Competition –

29. Commodity –

30. Natural Monopoly –