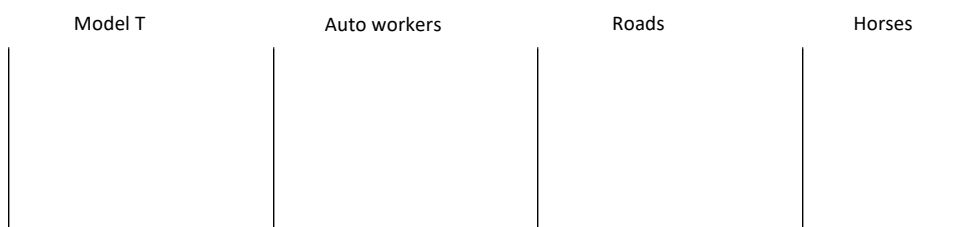


# Impact of Shifts in Supply and Demand

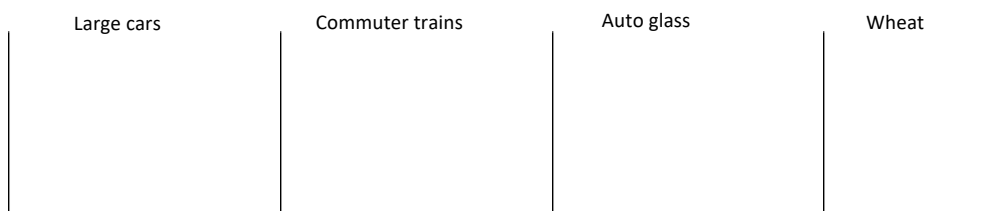
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**Directions:** For each of the following scenarios, predict what will happen in the auto market and the related markets listed. Label the axes and draw supply and demand curves. Then identify each shifter and show the resulting changes in equilibrium price and quantity.

- Henry Ford introduces innovations that reduce the cost of producing a Model T.



- The price of gas rises dramatically in the 1970s.



- American auto workers go on strike to protest working conditions in factories.



4. The United States imposes tariffs on imported steel, causing higher steel prices throughout the United States.

American cars	American auto workers	Tires for new cars	American steel workers

5. American cities build more public transportation and reduce the number of parking spaces downtown, causing fewer consumers to demand new cars.

Cars	Auto workers	Auto glass	Gasoline