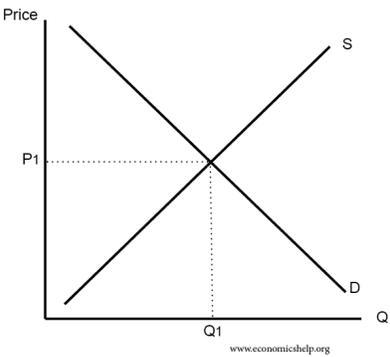
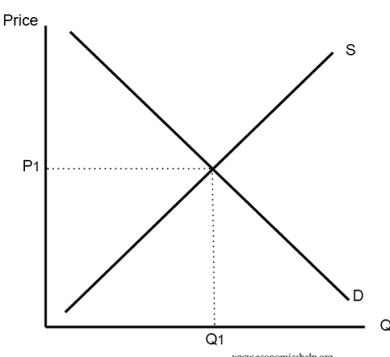
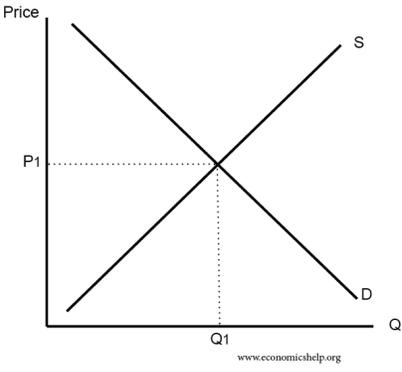
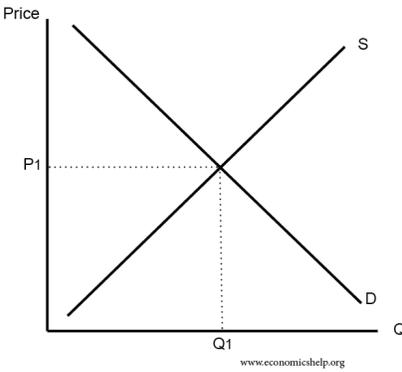


Find the Mistake Answers

Directions: Read through each of the following examples and determine if the graph is correct. If it is **not** correct, show the correct shift on the graph and write a brief statement supporting your answer. If it is correct, you only need to write a brief statement supporting your answer. Evaluate each proposal based on their multipliers and the extent to which they are timed, targeted, and temporary. Complete the table, indicating [Yes, No, or Somewhat] in each box.

 <p>www.economicshelp.org</p>	<p>Electronic invitations will be emailed to guests, instead of printed invitations. The couple is using this close substitute because it is cost effective, delivers instantaneously, and does not require postage. What happens to the supply for electronic invitations?</p> <p>Suggested Answer: Supply decreases.</p> <p>Is this answer correct? Yes No</p> <p>Reason: <i>It changes demand, not supply; demand for electronic invitations increase; demand curve would shift to the right.</i></p>
 <p>www.economicshelp.org</p>	<p>The couple visits the local bakery to taste-test wedding cakes. The baker states that vanilla bean crops were destroyed by an unexpected fungus and vanilla is widely used to produce wedding cakes. What happens to the supply for wedding cakes?</p> <p>Suggested Answer: Supply decreases.</p> <p>Is this answer correct? Yes No</p> <p>Reason: <i>Increase of an input cost (shortage), which decreases supply and shifts the curve to the left.</i></p>

	<p>Micro-Wedding, a prominent wedding magazine, spotlights cookie tables as the newest wedding trend. What happens to the demand for mini pastries and brownies, a close substitute for cookies?</p> <p>Suggested Answer: Demand decreases.</p> <p>Is this answer correct? Yes No</p> <p>Reason: <i>Because cookie tables are the latest trend, it increases the demand for cookies and decreases the demand for other pastries (mini and brownies). Demand curve for other pastries would shift to the left because of a change in taste and preferences and substituting cookies for those pastries.</i></p>
	<p>Ms. Supply is shocked. She receives a text from her hair salon indicating prices are now 15% higher, with no explanation. What happens to the demand for wedding hair services?</p> <p>Suggested Answer: Demand decreases.</p> <p>Is this answer correct? Yes No</p> <p>Reason: <i>A change in price does not change demand; it changes the quantity demanded.</i></p>