

ECO 150: Worksheet for Week 3.

This is a short exercise designed to help students apply our supply and demand model to some recent examples.

1. This article describes [possible ill effects of drinking diet soda](#).

Using the supply and demand framework from class, explain how this will affect the price, deliciousness, and quantity of diet soda.

2. This article describes [changes in recent travel habits](#).

Are these changes more due to supply or demand? How can you tell?

3. This article describes [plummeting weed prices in California](#).

What is the most likely explanation for these recent changes in the pot market?

4. Cars have been especially hard hit by inflation this year.

Why have car prices increased so dramatically in 2022?

5. This is the [best video explaining supply and demand on the internet](#).