**SELF-CHECK 2**

True or False

1) A relative price is the product of two money prices.

Answer: \_\_\_\_\_\_\_\_\_\_\_

2) The relative price of a good is greater than the money price of a good.

Answer: \_\_\_\_\_\_\_\_\_\_\_

3) A demand curve is also a willingness-and-ability-to-pay curve.

Answer: \_\_\_\_\_\_\_\_\_\_\_

4) A movement along the demand curve shows a change in demand.

Answer: \_\_\_\_\_\_\_\_\_\_\_

5) An increase in the incomes of baseball fans in New York leads to a rightward movement along the demand curve but does not shift the demand curve for Yankees tickets.

Answer: \_\_\_\_\_\_\_\_\_\_\_

6) For consumers, chocolate chip cookies and doughnuts are substitutes. So, an increase in the price of chocolate chip cookies will lead to a rightward shift in the demand curve for doughnuts.

Answer: \_\_\_\_\_\_\_\_\_\_\_

7) Young drivers often buy used cars. An increase in the legal driving age to twenty-one would result in a leftward movement along the demand curve for used cars, whereas lowering the age to fifteen would result in a rightward movement along the demand curve.

Answer: \_\_\_\_\_\_\_\_\_\_\_

8) Young drivers often buy used cars. An increase in the legal driving age to twenty-one shifts the demand curve for used cars leftward, whereas lowering the age to fifteen shifts the demand curve rightward.

Answer: \_\_\_\_\_\_\_\_\_\_\_

9) The supply curve indicates the minimum quantity that a producer would be willing to supply at alternative prices.

Answer: \_\_\_\_\_\_\_\_\_\_\_

10) A supply curve is also a maximum-supply-price curve.

Answer: \_\_\_\_\_\_\_\_\_\_\_