Solutions

Each answer shows the steps, then the **result**.

2.1

- as the price of a good rises, the quantity supplied rises (other things equal)

2.2

- producing extra units costs more (rising marginal cost), so a higher price is needed to supply more

2.3

- by horizontally summing all individual firms' supply curves at each price

3.1 B

3.2 B

3.3

(a)

- supply falls

(b)

- to the left

(c)

- any one of: input prices, technology, taxes/subsidies, expectations, number of sellers