**Life Size Supply and Demand**

In this activity we will create a life size supply and demand model. As a team of 4-5 members you will be given scenarios (headlines) and will have to determine the following:

* Does the headline affect the demand or supply curve?
* Does the curve shift to the left, to the right, or not at all?
* If the curve shifts, what demand or supply shifter causes the shift?
* If the curve does not shift, did quantity demanded or supplied increase or decrease? Why?

Using the chart below document these things and be ready to be asked to enter the life size supply and demand model. You will form a line by locking arms and then shift the line. After you shift the line you will justify why you shifted it in the way you did and what shifter caused this.

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| **Demand Shifters**   1. **Changes in income** 2. **Changes in the number of consumers** 3. **Changes in consumer tastes and preferences** 4. **Changes in consumer expectations** 5. **Changes in the price of substitute goods** 6. **Changes in the price of complementary go** | **Supply Shifters**   1. **Changes in the cost of inputs (CELL Factors of Production)** 2. **Changes in the number of producers** 3. **Changes in conditions due to natural disasters or international events** 4. **Changes in technology** 5. **Changes in producer expectations** 6. **Changes in government policy** |

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| **Headline #** | **Affects Supply or Demand?** | **Curve shifts left, right, or not at all?** | **What shifter caused this?** | **If the curve does not shift, does quantity demanded or supplied increase or decrease?** |
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