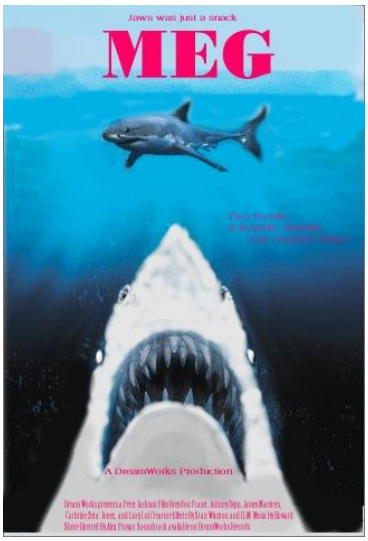
Economics 103 UWW

Quiz 4

Aggregate Demand



The stupidest horror movie of 2018 was about a giant prehistoric shark named Meg. Below is an example of a demand curve for seeing the movie "Meg" by oneself.

1. Why is the demand curve downward sloping?

2. Assume that people enjoy seeing horror movies together. Draw a demand curve assuming that the more people see the movie, the more pleasure each gets from the movie.

3. What will happen if the economy expands and everyone makes more money? Draw the new demand curve.

