Name _____

Balancing Act: Market Equilibrium and the Dance of Supply and Demand

Open-Ended Response Questions

1. Think of a real-life example of a product or service and explain how changes in supply and demand can lead to shifts in market equilibrium. Describe the impact on prices and quantities.

2. Imagine you are a producer of handmade jewelry. Explain how understanding market equilibrium can help you make decisions about pricing and production levels for your jewelry.

3. Why is it important for businesses and consumers to have a grasp of market equilibrium and the forces of supply and demand in the market?

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