Econ 1A Quiz 4 (sample) Answer for 2, 3, and 4

2. As a result of Iraq invasion, the price of Army boots rises. [3]

**Cause:** Iraq invasion $\rightarrow$ DD↑, SS→

**Effect:** $p↑$, $Q↑$

![Army Boots Market Diagram]

3. The price of milk has been rising due to unusually hot summer weather which discourages milk production. (9/16/96, San Jose Mercury News). [3]

**Cause:** Hot summer weather which discourage milk production $\Rightarrow$ SS↓, DD $\rightarrow$

**Effect:** $p↑$, $Q↓$

![Milk Market Diagram]


**Cause:** Producers cut supply by killing off mother hens $\Rightarrow$ SS↓, DD $\rightarrow$

**Effect:** $p↑$, $Q↓$

![Chicken Market Diagram]