

CHAPTER
6
SECTION 1

GUIDED READING AND REVIEW
Combining Supply and Demand **3**

As You Read

As you read Section 1, supply the requested information in the spaces provided. Then apply your knowledge to the Guiding Question:



What factors affect prices?

1. What is balanced at the market equilibrium price: _____
2. How equilibrium is shown on a supply and demand graph: _____

3. Two possible outcomes of disequilibrium: _____

4. Supplier price response to excess demand: _____

5. Condition under which market forces will push the market toward equilibrium: _____

6. Purpose(s) of rent control: _____

7. Impact of ending rent control: _____

8. Effect on labor when minimum wage exceeds equilibrium: _____
9. How government provides price supports to farms: _____

Reviewing Key Terms

Complete each sentence by writing the correct term in the blank provided.

10. When government wants to ensure that “essential” goods or services are within the reach of all consumers, it may impose a(n) _____.
11. If prices rise too high, a market may face the problem of _____.
12. If car manufacturers produce more or fewer cars than customers will buy, the car market will be in _____.