

Problem Set 3

On what and how to submit

- For this and all future problem sets, questions are from the “Problems” section of the questions at the end of the chapter.
- Due before Lecture 3.
- Name the file “ps03_[lastname].pdf”. For example, my file would be “ps03_brooks.pdf”.
- Turn in via this [google survey](#).
- Make sure your name is at the top of the submission.
- You do not need to type your submission. Any **legible** submission in pdf format is ok. For example, you can write the problem set with hand-drawn graphs, take a picture, make a pdf, and submit the pdf.

1. GLS Chapter 2, Question 20, parts (a)-(c) only

For this question, make a logically consistent argument. There may not be one “right” answer.

2. GLS Chapter 3, Question 4 (Hint: draw cases with elastic and inelastic supply.)

3. Price regulations

Find a specific example of a price ceiling or floor – not one from class or from the textbook. Roughly, what was the impact of this regulation on quantity supplied and quantity demanded?