

ECON 0100 | Part F

Vignette F1

Molly's Budget

Molly Weasley recently started an hourly wage job as a Herbologist at a large Herbology firm and divides her income between butter beer and roast beef sandwiches (*both of which are normal goods*). For each budget constraint below, show butter beer on the horizontal axis and roast beef sandwiches on the vertical axis.

Question 1 | A Successful Herbologist

Molly is very good at her job and receives a raise. Use a graph to show what would happen to Molly's budget constraint after her raise.

Question 2 | Fewer Sandwich Stands

Use two graphs to show what would happen to Molly's budget constraint if the number of stands selling roast beef sandwiches were to decrease.

Question 3 | Holiday Surge

This holiday, butter beer has become increasingly popular. Use two graphs to show how this change in preferences would impact Molly's budget.