

ECON 0100 | Part F

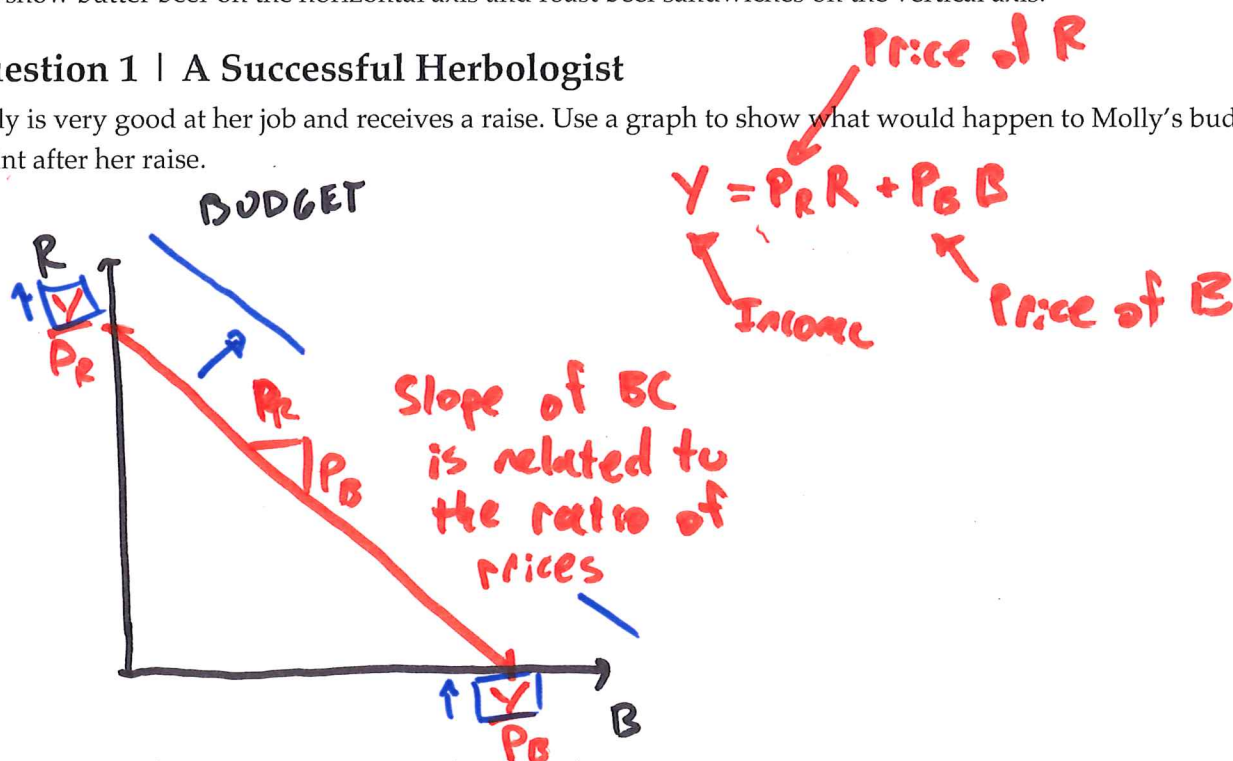
Vignette F1

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.

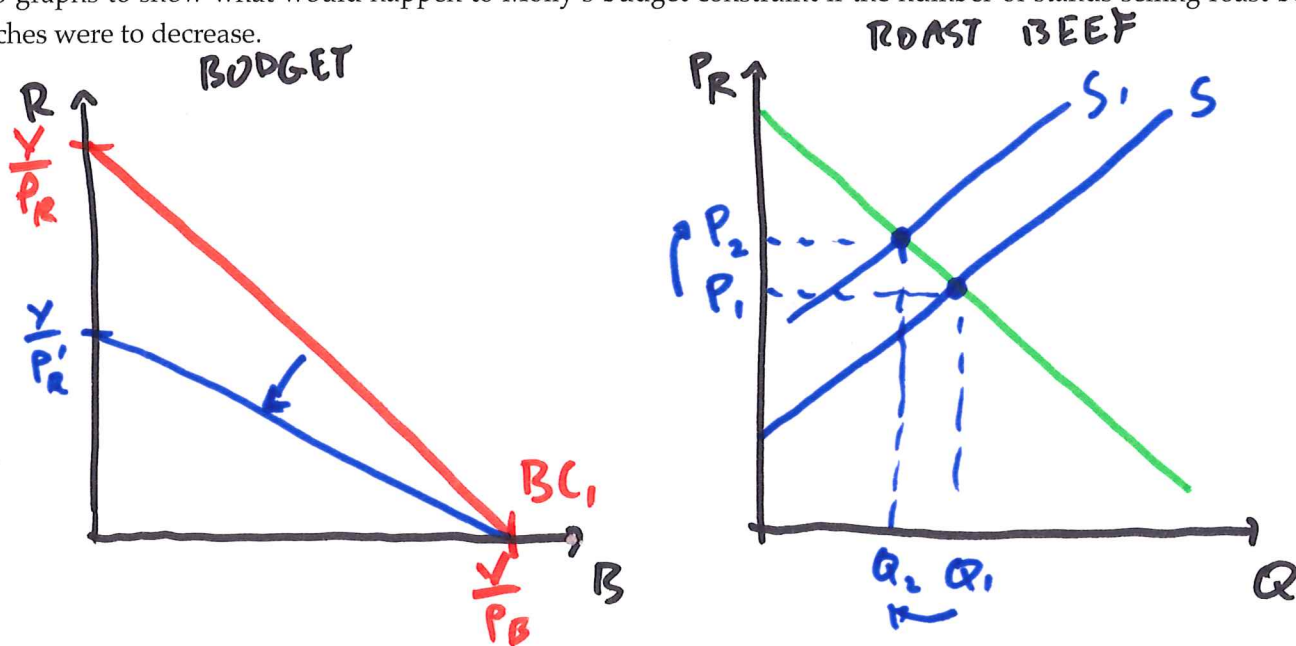
Question 1 | A Successful Herbologist

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.

