**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

**Checklist**

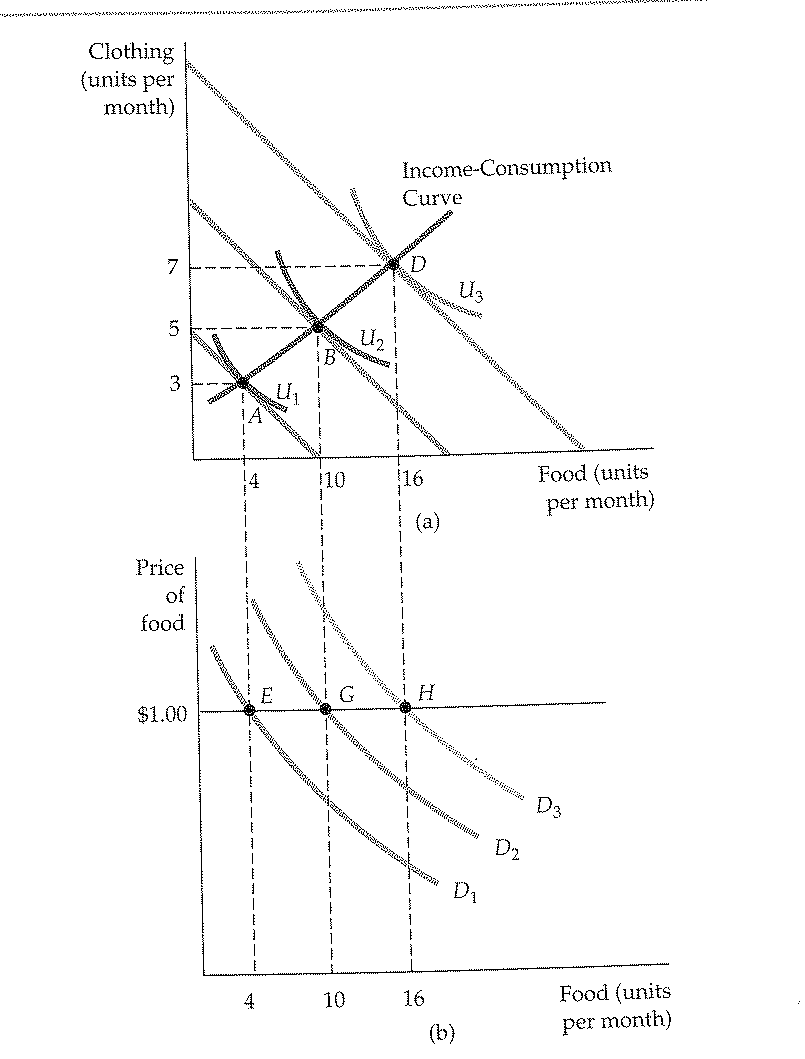
Can you do the following regarding **individual and market demand**?

* Explain the income effect on consumer equilibrium
* Explain the price effect on consumer equilibrium
* Define normal goods
* Define inferior goods
* What is an Engel curve?
* Explain the substitution effect
* Explain the income effect
* Explain the total effect
* What is a Giffen good?
* Define inelastic demand
* Define elastic demand
* Define isoelastic demand
* Define consumer surplus
* Define network externalities
* Explain the bandwagon effect
* Explain the snob effect

**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

**Income effect on consumer equilibrium**

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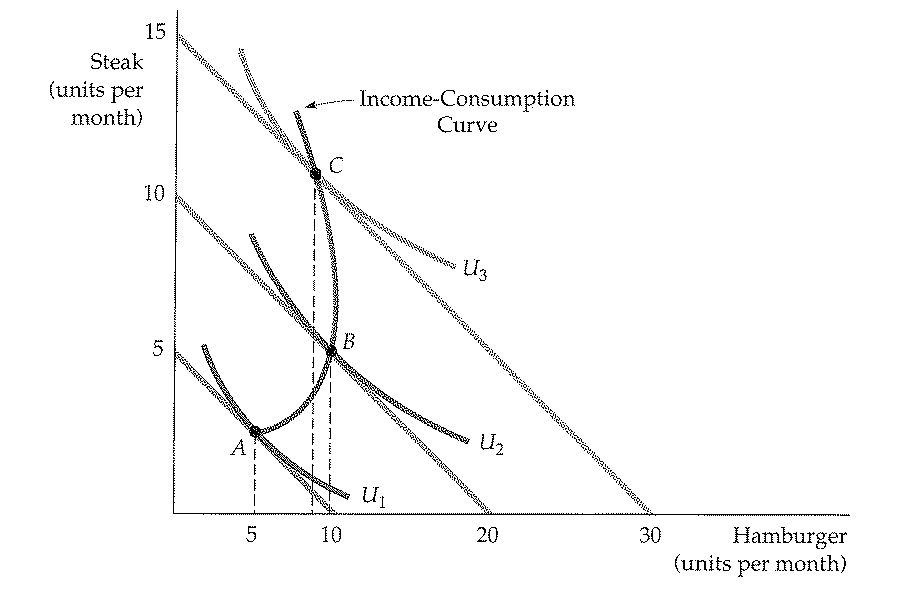
**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

**Price effect on consumer equilibrium**

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**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

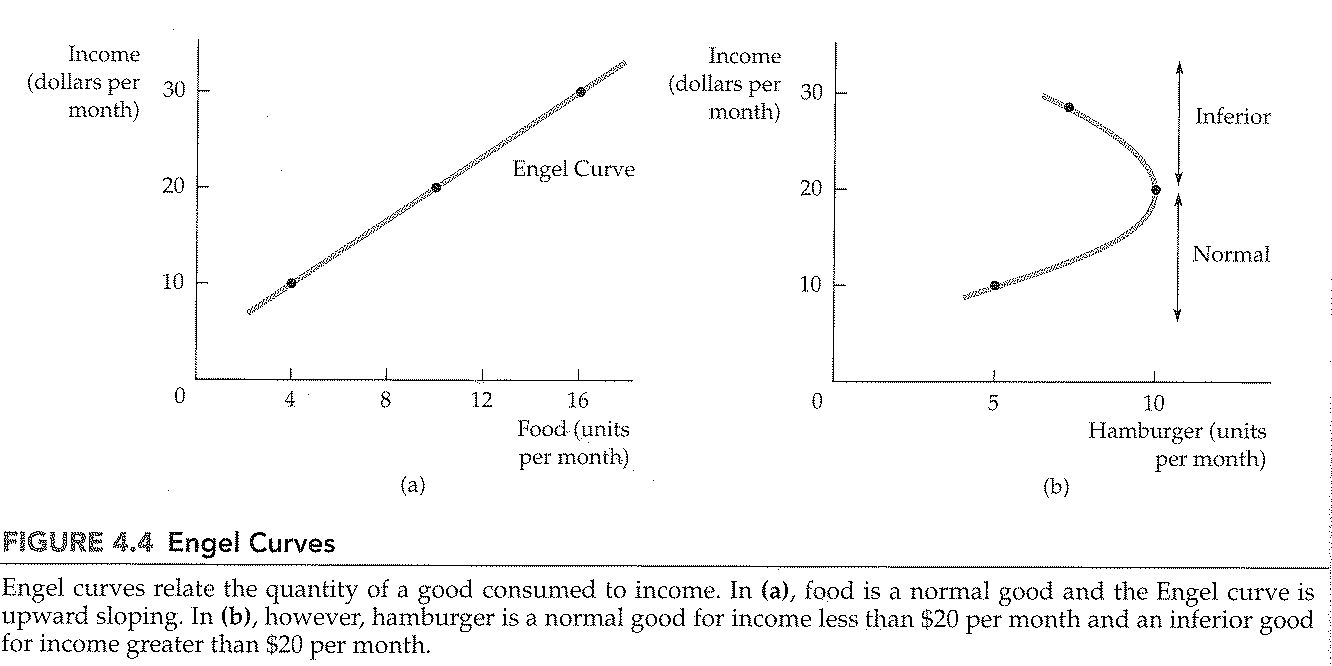
**Effect on inferior goods**



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**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

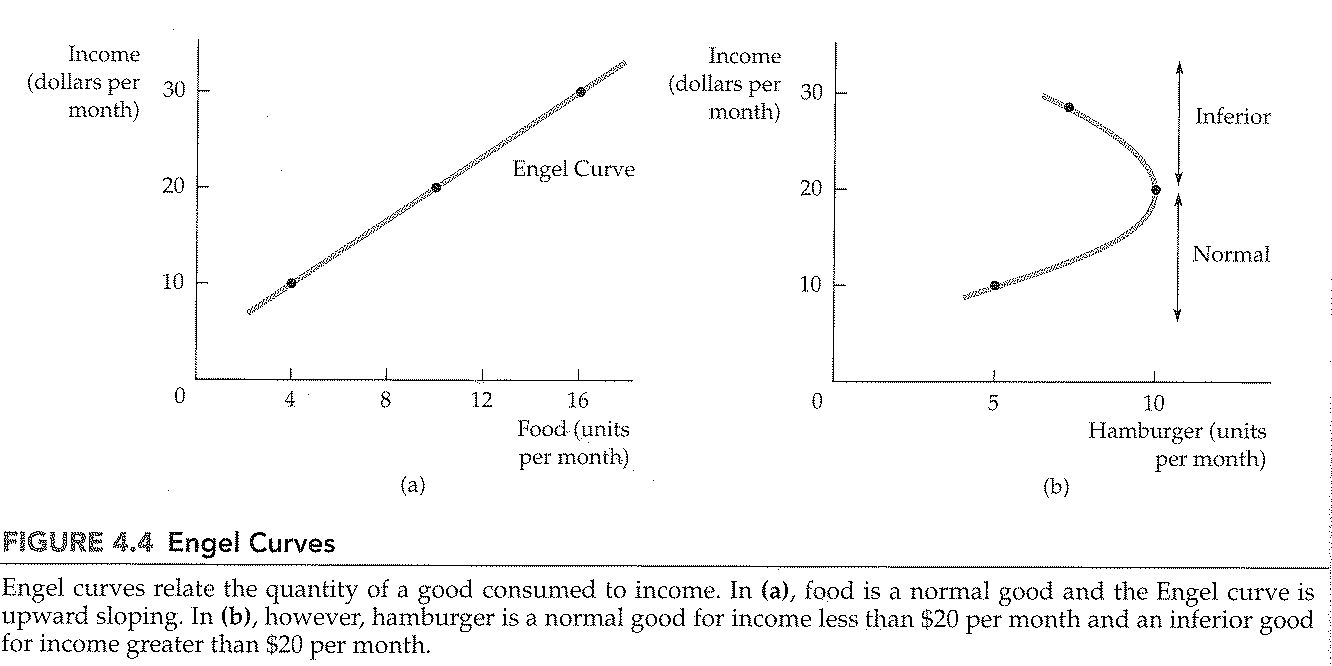
**Engel curve**



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**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

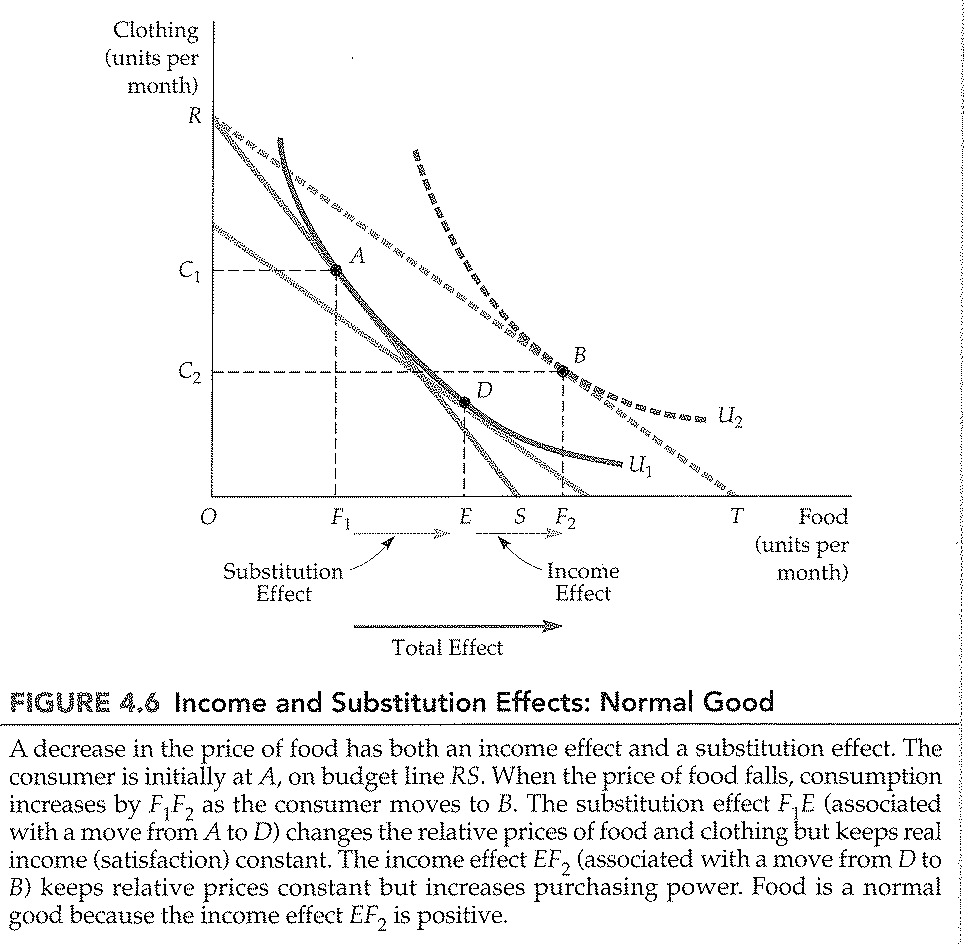
**Engel curve**



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**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

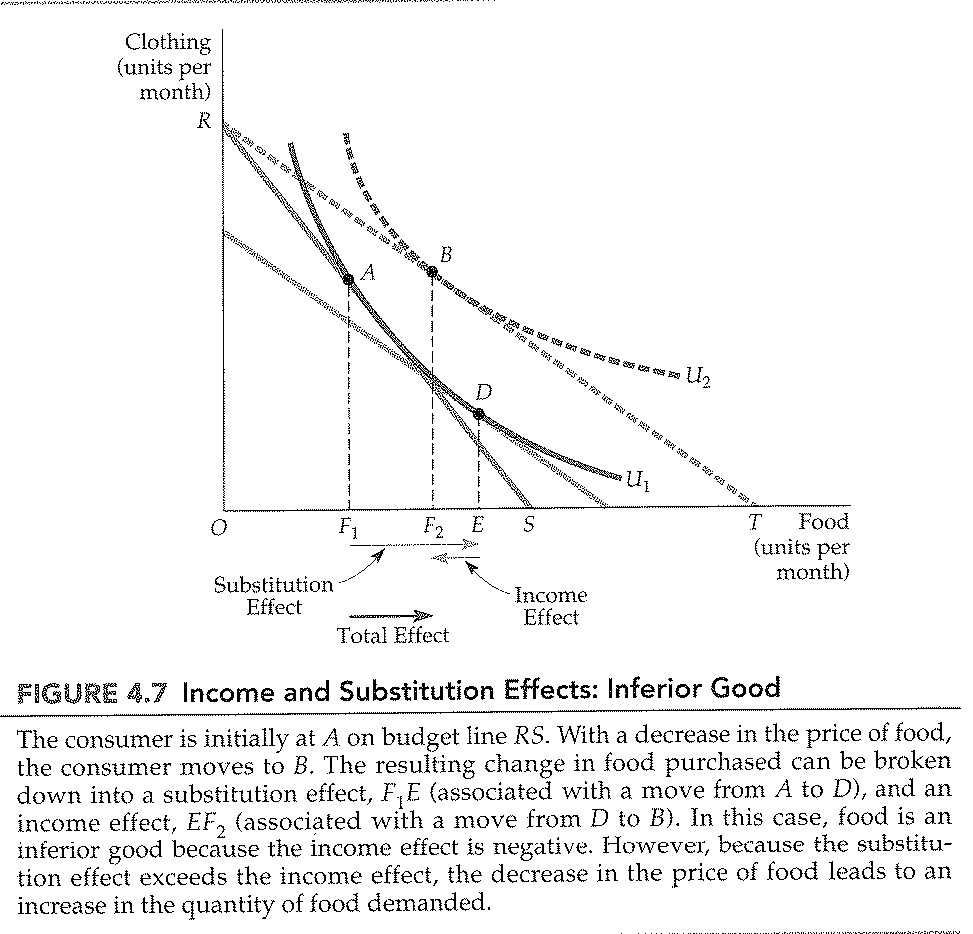
**Income and substitution on normal goods**



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**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

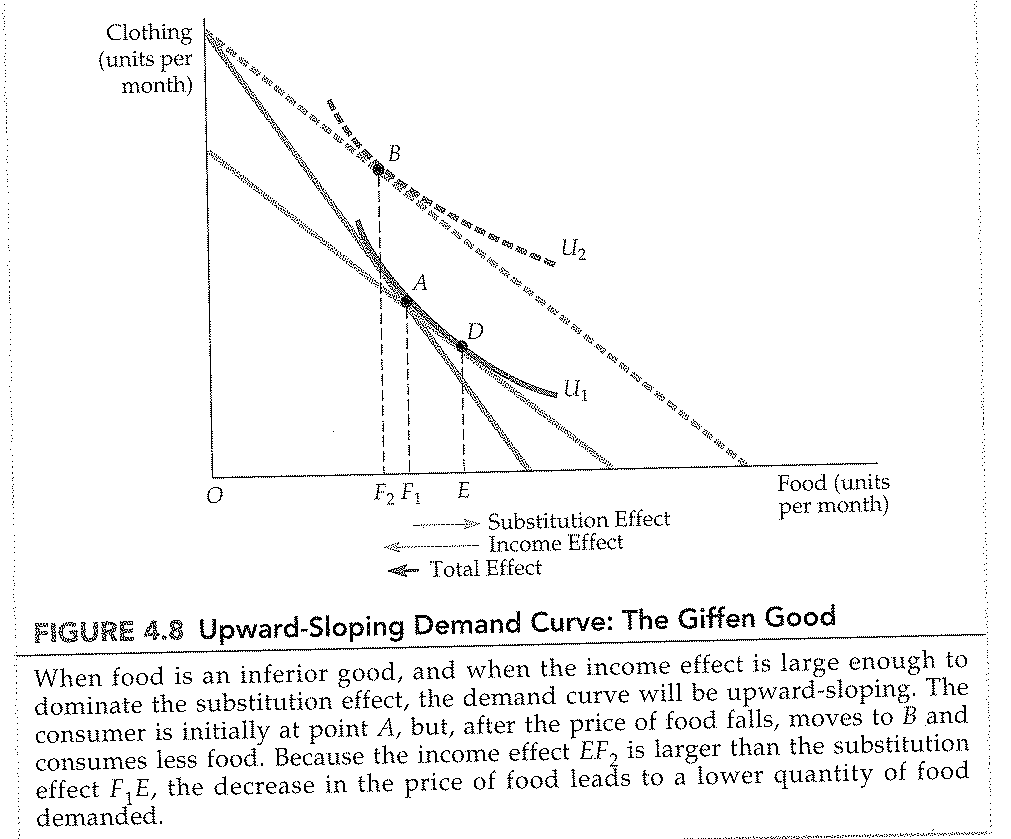
**Income and substitution on inferior goods**



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**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

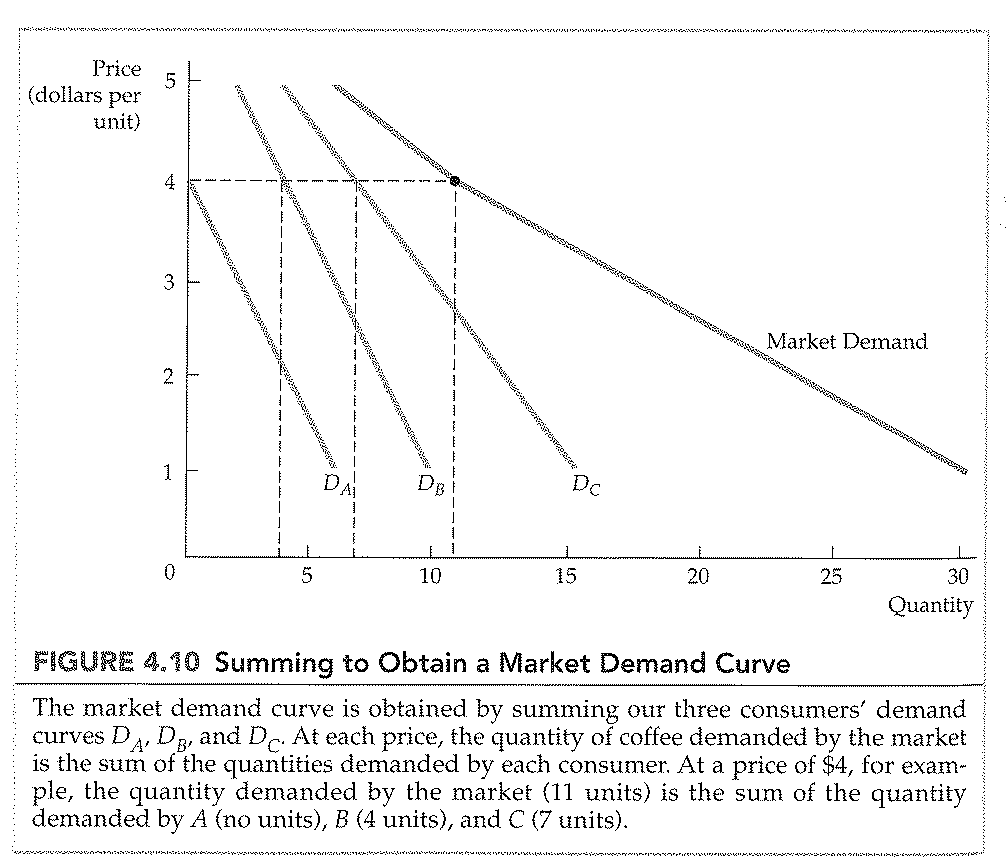
**Income and substitution on giffen goods**



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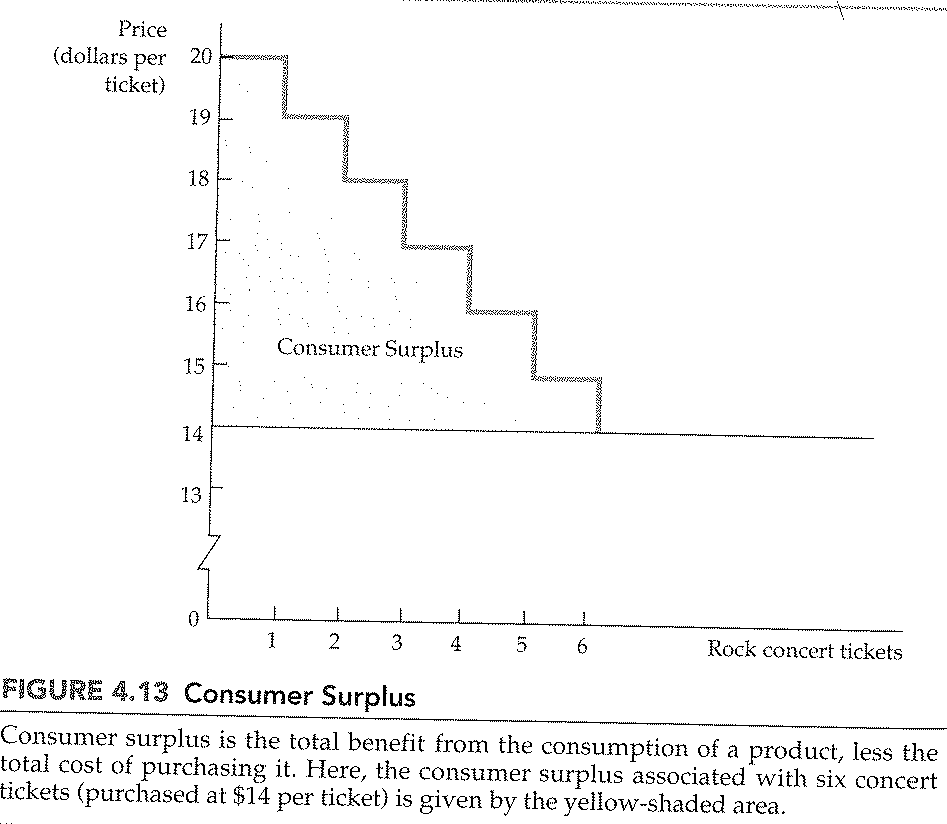
**Market demand curve**



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**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

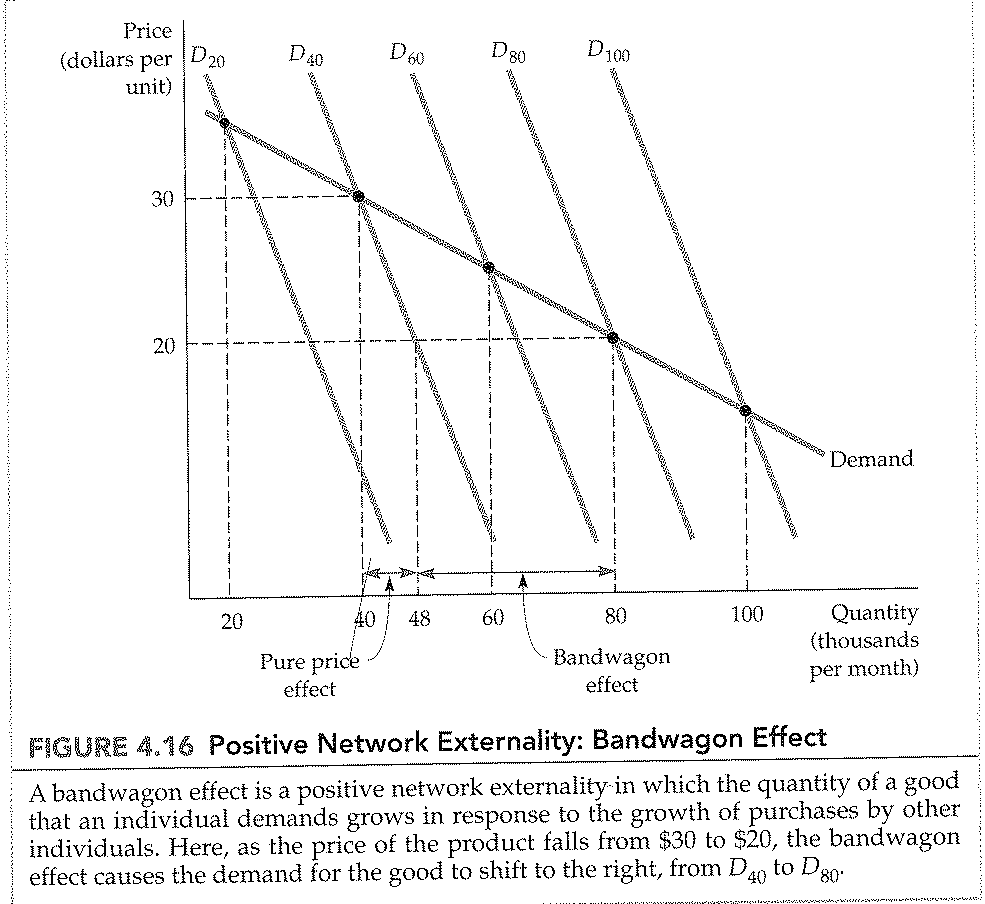
**Consumer surplus**



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**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

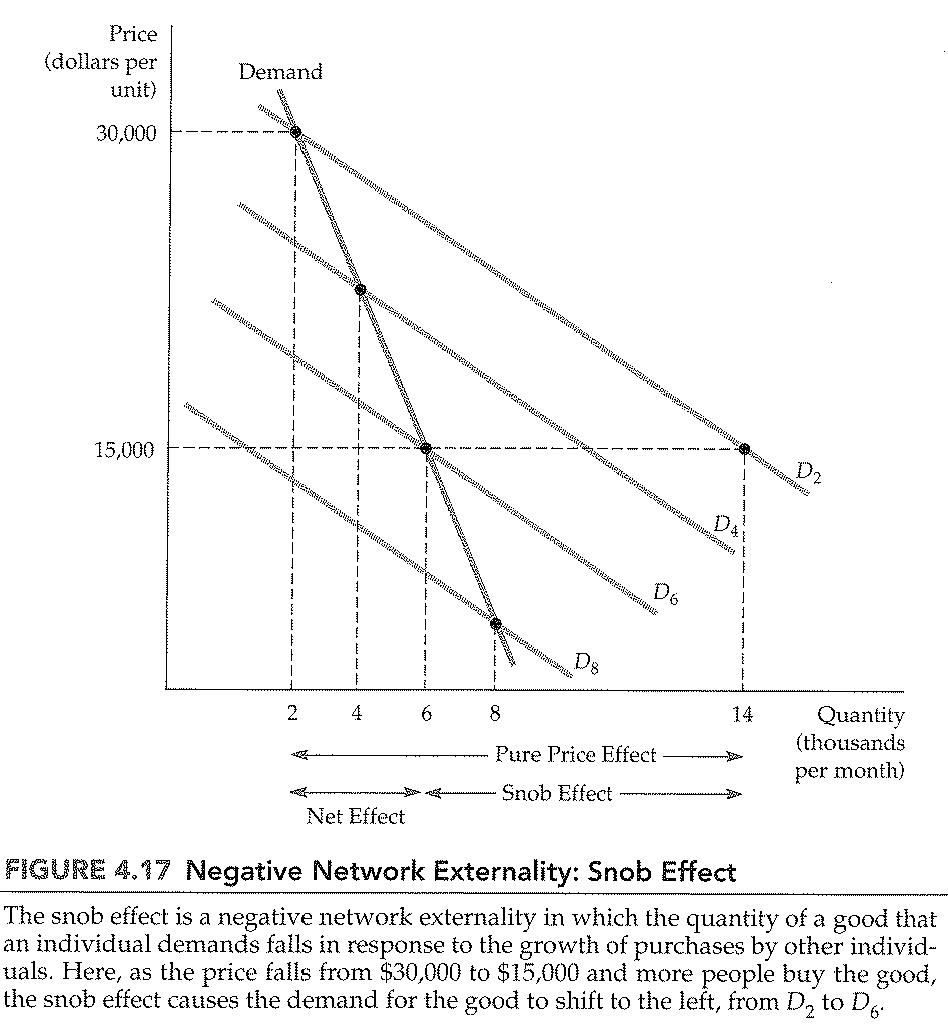
**Bandwagon effect**



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**CHAPTER 4: INDIVIDUAL AND MARKET DEMAND**

**Snob effect**



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