**Demand and Supply at Work**

What do markets do?

What do supply, demand and markets do?

What is a surplus?

What is a shortage?

What does a surplus signal?

What does a shortage signal?

What is the equilibrium price?

How long does it stay there?

Why do we have price controls?

What is a price ceiling?

What is a price floor?

What is an example of a price floor?

How do prices answer each of the three basic economic questions?

What to produce?

How to produce?

For whom to produce?

Describe each advantage of prices:

1. Prices are neutral
2. Prices are flexible-
3. Price and freedom of choice-
4. Prices are familiar**-**