

GUIDED READING Activity 4-1

For use with textbook pages 91–95

WHAT IS DEMAND?

RECALLING THE FACTS

Directions: Use the information in your textbook to answer the questions. Use another sheet of paper if necessary.

1. What three factors determine the demand for a product?

2. What is microeconomics?

3. What is the purpose of a demand schedule?

4. How is a demand curve similar to a demand schedule? How is it different?

5. What does the Law of Demand state?

6. What does the market demand curve show?

7. What is marginal utility?

8. How does the principle of diminishing marginal utility affect how much people are willing to pay?
