

**PROBLEM 1: THE EFFECT OF A CHANGE IN THE SUPPLY OF A FACTOR**



**WAGE AND PRICE CHANGES**



**PROBLEM 2: THE EFFECT OF A CHANGE IN THE DEMAND FOR A FACTOR**

**DEMAND CURVE SHIFT**

When the demand for a factor increases, the demand curve shifts to the right. This shift results in a higher price for the factor and a higher quantity of the factor.

**DEMAND CURVE SHIFT (DETAILED)**



**PROBLEM 3: THE EFFECT OF A CHANGE IN THE TECHNOLOGY OF PRODUCTION**