Problem 2.1

Table 2.6: Demand Table for Sessions 1 and 2

<table>
<thead>
<tr>
<th>Price Range</th>
<th>Amount Demanded</th>
</tr>
</thead>
<tbody>
<tr>
<td>P&gt;$25</td>
<td>0</td>
</tr>
<tr>
<td>$20&lt;P&lt;$25</td>
<td>9</td>
</tr>
<tr>
<td>$5&lt;P&lt;$20</td>
<td>28</td>
</tr>
<tr>
<td>P&lt;$5</td>
<td>37</td>
</tr>
</tbody>
</table>

Problem 2.2

Part a) How many fish will be supplied at a price of $15? 19
Part b) How many fish will be supplied at a price of $5? 19
Part c) How many fish will be supplied at a price of $1 19
Part d) What can you conclude about the supply curve for fish at positive prices? At all positive prices, 19 fish will be supplied.

Problem 2.3

Figure 2.2: Supply and Demand in Sessions 1 and 2.

Problem 2.4

Table 2.7: Predictions and Outcomes in Session 1

<table>
<thead>
<tr>
<th></th>
<th>Experimental Outcome</th>
<th>Competitive Prediction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean Price</td>
<td>$15.62</td>
<td>$20.00</td>
</tr>
<tr>
<td>Number of Fish Sold</td>
<td>17</td>
<td>19</td>
</tr>
<tr>
<td>Total Fishermens' Profit</td>
<td>$75.50</td>
<td>$190.00</td>
</tr>
<tr>
<td>Total Demanders' Profit</td>
<td>$104.50</td>
<td>$45.00</td>
</tr>
<tr>
<td>Total Profits All Participants</td>
<td>$180.00</td>
<td>$235.00</td>
</tr>
</tbody>
</table>

Problem 2.5

Table 2.8: Predictions and Outcomes in Session 2
Experimental Outcome | Competitive Prediction
--- | ---
Mean Price | $1.25 | $0.00
Number of Fish Sold | 33 | 37
Total Fishermens' Profit | -$148.90 | -$190.00
Total Demanders' Profit | $538.90 | $650.00
Total Profits All Participants | $390.00 | $460.00

Problem 2.6
a) The number of fish caught increased from 19 to 57.
b) The mean price of fish (rose?fell?) from $15.62 to $1.25.
c) Total profits of fishermen (rose?fell?) from $75.50 to -$148.90.
d) Total consumer surplus (rose?fell?) from $104.50 to $538.90.

Problem 2.7
a) The mean price of fish (rises?falls?) from $20.00 to $0.00.
b) Total profits of fishermen (rises?falls?) from $190.00 to -$190.00.
c) Total consumers' surplus (rises?falls?) from $45.00 to $650.00.

Problem 2.8
a) if he expects the price of fish to be $3? no
b) if he expects the price of fish to be $7? yes