

3. A consumer is in equilibrium at point A in the accompanying figure. The price of good X is \$5.
- What is the price of good Y?
  - What is the consumer's income?
  - At point A, how many units of good X does the consumer purchase?
  - Suppose the budget line changes so that the consumer achieves a new equilibrium at point B. What change in the economic environment led to this new equilibrium? Is the consumer better off or worse off as a result of the price change?

