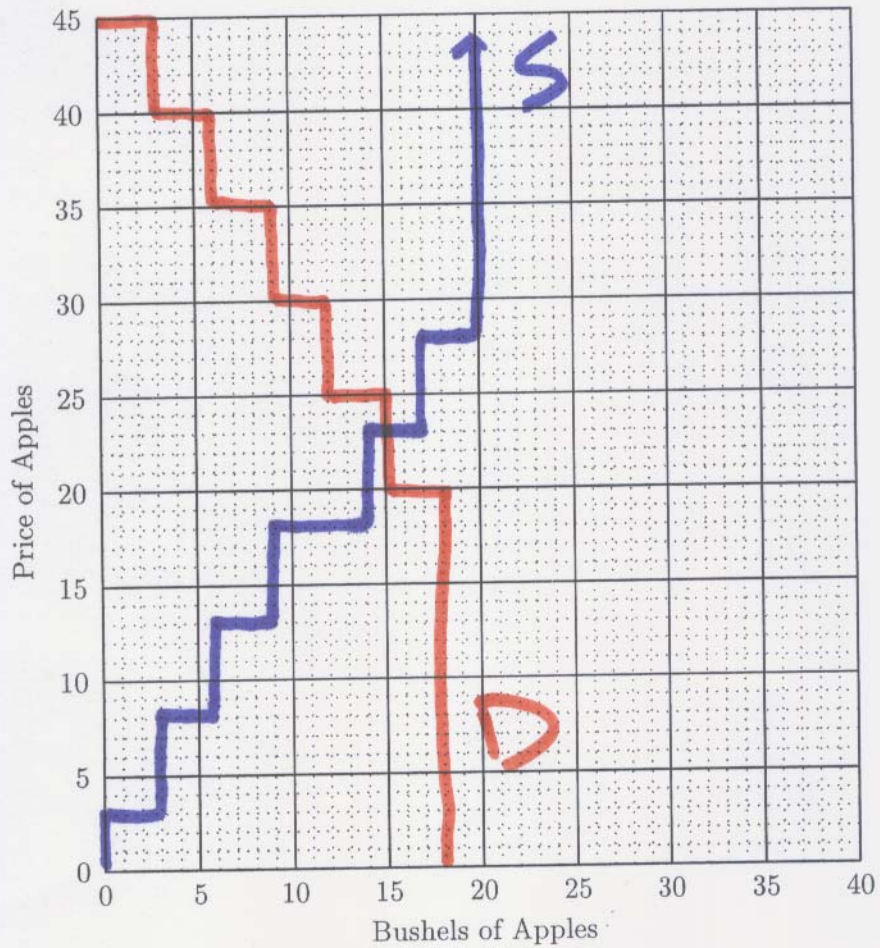


Session 1

NO TAXES

Figure 3.8: Effect of a Sales Tax on Demanders



Equilibrium Prediction

$$P^* = 23$$

$$Q^* = 15$$

Actual Outcomes

last Round Session 1

$$\text{Avg } P = 23.53$$

$$Q = 17$$