## Problems

33.

The equation for a demand curve is P = 48 – 3Q. What is the elasticity in moving from a quantity of 5 to a quantity of 6?

34.

The equation for a demand curve is P = 2/Q. What is the elasticity of demand as price falls from 5 to 4? What is the elasticity of demand as the price falls from 9 to 8? Would you expect these answers to be the same?

35.

The equation for a supply curve is 4P = Q. What is the elasticity of supply as price rises from 3 to 4? What is the elasticity of supply as the price rises from 7 to 8? Would you expect these answers to be the same?

36.

The equation for a supply curve is P = 3Q – 8. What is the elasticity in moving from a price of 4 to a price of 7?

37.

The supply of paintings by Leonardo Da Vinci, who painted the *Mona Lisa* and *The Last Supper* and died in 1519, is highly inelastic. Sketch a supply and demand diagram, paying attention to the appropriate elasticities, to illustrate that demand for these paintings will determine the price.

38.

Say that a certain stadium for professional football has 70,000 seats. What is the shape of the supply curve for tickets to football games at that stadium? Explain.

39.

When someone’s kidneys fail, the person needs to have medical treatment with a dialysis machine (unless or until they receive a kidney transplant) or they will die. Sketch a supply and demand diagram, paying attention to the appropriate elasticities, to illustrate that the supply of such dialysis machines will primarily determine the price.

40.

Assume that the supply of low-skilled workers is fairly elastic, but the employers’ demand for such workers is fairly inelastic. If the policy goal is to expand employment for low-skilled workers, is it better to focus on policy tools to shift the supply of unskilled labor or on tools to shift the demand for unskilled labor? What if the policy goal is to raise wages for this group? Explain your answers with supply and demand diagrams.