

Esercizio 1

For each case, choose the condition that characterizes demand: elastic demand, inelastic demand, or unit-elastic demand.

a) Total revenue decreases when price increases.

- **ELASTIC DEMAND**

b) The additional revenue generated by an increase in quantity sold is exactly offset by revenue lost from the fall in price received per unit.

- **UNIT – ELASTIC DEMAND**

c) Total revenue falls when output increases.

- **INELASTIC DEMAND**

d) Producers in an industry find they can increase their total revenues by coordinating a reduction in industry output.

- **INELASTIC DEMAND**