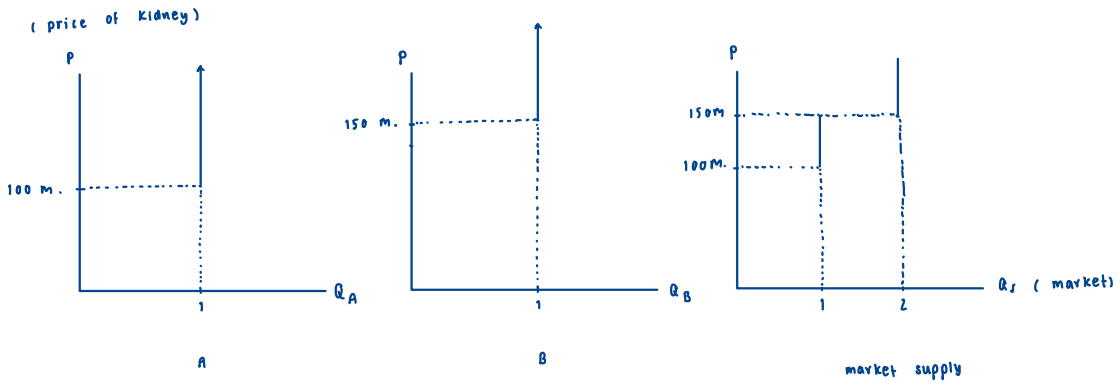


HW 3 Due Thursday, February 11, 2021

1. Suppose that it is legal to sell one's kidney. What is the individual supply of kidney of a person who wants to sell his kidney? Does the market supply respond with a higher quantity supplied if the price of kidney increases?

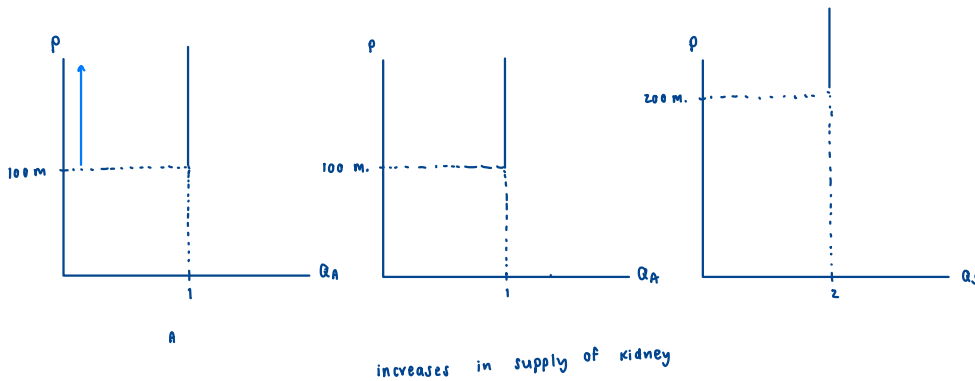
2. Let A be a person who is willing to sell one of his kidney so that his supply of kidney is vertical at $Q_S = 1$ with any price at least 100 million baht. If A's supply of kidney increase, how would his Supply curve change?

What is the individual supply of kidney of a person who wants to sell his kidney? 1. * who wants to sell his kidney? Does the market supply respond with a higher quantity supplied if the price of kidney increases? No, because even the price of kidney increases the limited of selling kidney for each individual is one. So the Q_S doesn't change. *



2. Let A be a person who is willing to sell one of his kidney so that his supply of kidney is vertical at $Q_S = 1$ with any price at least 100 million baht. If A's supply of kidney increase, how would his Supply curve change?

A's supply of kidney increase (2 pieces of kidney) supply curve would be a vertical line as the same but price at least would be increased from 100 m. to 200 m. because he willing to sell at least 100 m. but in this case he has 2 of it. *



increases in supply of kidney