

HW.

↳ how $D+S$ increases in Extreme cases

↳ The Demand will increase in extreme cases if the price goes down. Let say that the price of 1 icecream cone goes down, the demand will go up. But now let say something like an artificial heart. if the price goes up, the demand will go up too since it is something that is needed for someone.

↳ The supply will increase in extreme cases if the price of the material goes down. Let say that the price of making sugar falls, the supply in making ice-cream will increase. But now, let say something like artificial heart. the quantity supply is infinity since there is zero slope. so if the supply were to increase in this case, the price doesn't need to decrease nor increase.

↳ We know that the point where the demand and supply intersect is called the equilibrium, it is the point where buyers and sellers are able to buy and sell to zero. But if it were to be in an extreme cases, horizontal or vertical line, there will be no equilibrium. Which means that the quantity of Demand and the quantity of supply will be infinity. If the both of them were to increase, the price would be the only factor that change. the 2 lines will never intersect.

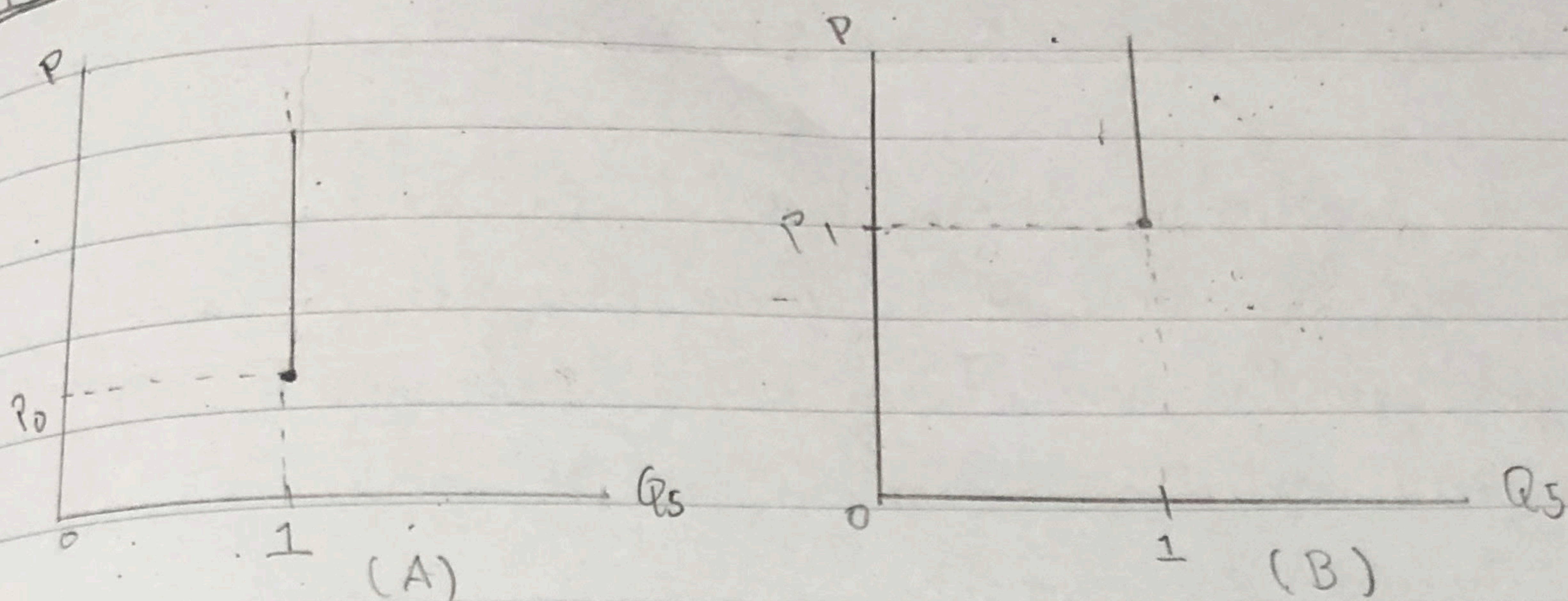
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Market Supply for Kidneys

