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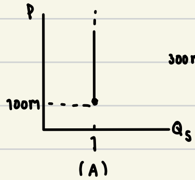
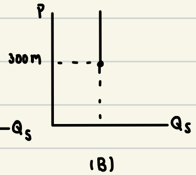
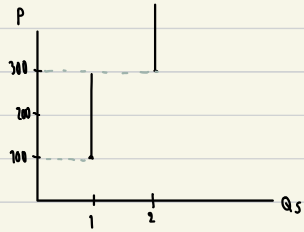
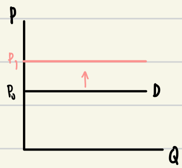
Homework market supply for kidneys





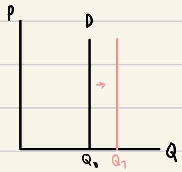


HW 2. How demand and Supply increase in Extreme cases

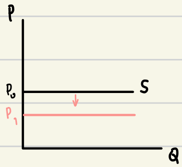


when selling price drop below P_0, people willing and able to buy more so, the P_0 shift to P_1

at point P_1 or below, quantity of demand is ∞. At point above P_1 the quantity of demand will be

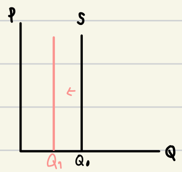


the shift of quantity, however, there is demand at Q_1 at any price



when the price of input decrease, technology better, the price will be decrease because of more supply

and graph will shift from P_0 to P_1.



the increase of supply shift from Q_0 to Q_1 seller are willing and able to sell at any price