

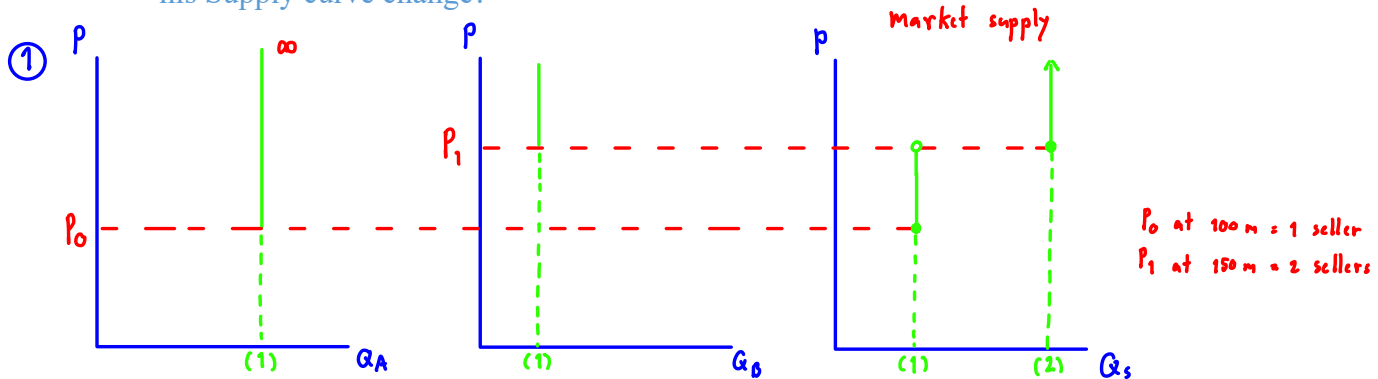
Sittha Kengsakul

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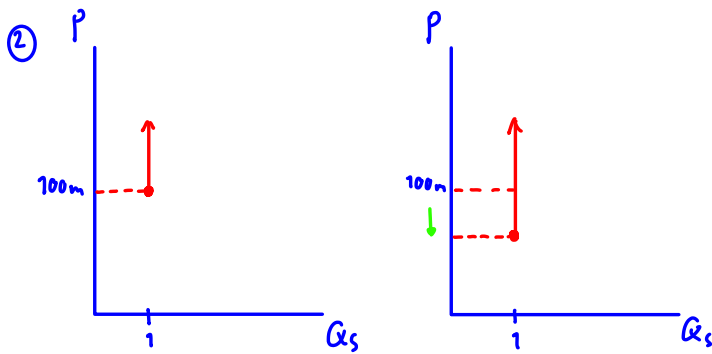
HW 3 Due Thursday, February 11, 2021

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?



- The individual supply of kidney is 1 kidney per person.
- The market supply will increase as the price increases because more people are willing to sell their kidneys.



- If A's supply of kidney increase (more willingness to sell) he will have a new lower acceptable (lesser than 100m) while his ability to sell is still 1 of his kidneys.