ECONOMICS 1A: PROBLEM SET 1

Review of Graphs and Formulas

1.   For each of the following equations, graph the line and calculate its slope.

a. $P = 10 - 2Q$ (put Q on the X axis)
b. $P = 100 - 4Q$ (put Q on the X axis)
c. $P = 50 + 6Q$ (put Q on the X axis)
d. $I = 10,000 - 500r$ (put I on the X axis)

2.   Calculate the area under the lines in 1a and 1b from $Q = 0$ to $Q = 5$.

3.   Graph the following equations (with Q on the X axis) and calculate where the lines intersect.

a. $P = 10 - 2Q,\ P = 4 + Q$
b $P = 100 - 4Q,\ P = 50 + 6Q$

4.   Calculate the area between the two curves and the vertical axis in 3a and 3b