

# ECON 0100 | Fall 2024

## *Vignette B1*

Members of the wizarding have preferences for pumpkin pasties according to the following demand curve:

$$P_b = 17 - \frac{1}{6}Q_d \quad (1)$$

Prices are in galleons and quantity is in thousands of pasties.

### **Q1. Plot the demand curve.**

Start by finding the vertical intercept: plug in a value of 0 for quantity.

Then find the horizontal intercept: plug in a value of 0 for price.

### **Q2. Plot and find the quantity demanded at a price of 10 galleons.**

### **Q3. Plot and find the area of consumer surplus at a price of 10 galleons.**

### **Q4. Plot and find the quantity demanded at a price of 5 galleons.**

### **Q5. Plot and find the area of consumer surplus at a price of 5 galleons.**

### **Q6. How much did consumer surplus change as the price dropped from 10 to 5?**