

Price Elasticity

Name: _____ Date: _____

Directions: Answer the following questions.

1. Which five products are the most inelastic?
2. Which five products are the most elastic?
3. What are three reasons why salt is more inelastic than fresh tomatoes?
4. Why would the demand for toothpicks be inelastic? Are the reasons the same as the reasons for salt?
5. Although both short-run and long-run gasoline are both inelastic, why is short-run gasoline more inelastic than long-run gasoline?
6. What does it mean that private education has a coefficient of 1.1?
7. What are three factors that explain why demand for foreign travel is elastic?
8. What factors would likely explain why Chevrolet cars are very elastic?
9. What are three factors that determine whether demand for a good or service will be elastic or inelastic?