

ECONOMICS 207
SPRING 2008
PROBLEM SET 4
KEY

Problem 1. Solve the following equations for x .

a. $8x^2 - 22x + 15 = 0$

$$\begin{aligned}8x^2 - 22x + 15 &= 0 \\ \Rightarrow (2x - 3)(4x - 5) &= 0 \\ \Rightarrow x = 3/2 \text{ or } x = 5/4\end{aligned}$$

b. $15x^2 - 145x + 90 = 0$

$$\begin{aligned}15x^2 - 145x + 90 &= 0 \\ \Rightarrow 3x^2 - 29x + 18 &= 0 \\ \Rightarrow (x - 9)(3x - 2) &= 0 \\ \Rightarrow x = 9 \text{ or } x = 2/3\end{aligned}$$

Problem 2. Solve the following equations for x_1 .

a. $81x_1^{-1/3} - 27 = 0$

$$\begin{aligned}81x_1^{-1/3} - 27 &= 0 \\ \Rightarrow 81x_1^{-1/3} &= 27 \\ \Rightarrow x_1^{-1/3} &= 27/81 = 3^{-1} \\ \Rightarrow x_1^{1/3} &= 3 \\ \Rightarrow x_1 &= 27\end{aligned}$$

b. $50x_1^{-2/5} - 2 = 0$

$$\begin{aligned}50x_1^{-2/5} - 2 &= 0 \\ \Rightarrow 50x_1^{-2/5} &= 2 \\ \Rightarrow x_1^{-2/5} &= 2/50 = 5^{-2} \\ \Rightarrow x_1^{1/5} &= 5 \\ \Rightarrow x_1 &= 5^5 = 3125\end{aligned}$$

Problem 3. Solve the following equations for x_1 .

a. $2x_1^{2/3} = x_1^{3/4}$

$$\begin{aligned} & 2x_1^{2/3} = x_1^{3/4} \\ \Rightarrow & 2x_1^{2/3} - x_1^{3/4} = 0 \\ \Rightarrow & x_1^{2/3}(2 - x_1^{3/4-2/3}) = 0 \\ \Rightarrow & x_1^{2/3}(2 - x_1^{1/12}) = 0 \\ \Rightarrow & x_1^{2/3} = 0 \quad \text{or} \quad x_1^{1/12} = 2 \\ \Rightarrow & x_1 = 0 \quad \text{or} \quad x = 2^{12} = 4096 \end{aligned}$$

b. $2x_1^{1/3} = 3x_1^{1/2}$

$$\begin{aligned} & 2x_1^{1/3} = 3x_1^{1/2} \\ \Rightarrow & x_1^{1/3}(2 - 3x_1^{1/6}) = 0 \\ \Rightarrow & x_1^{1/3} = 0 \quad \text{or} \quad 2 - 3x_1^{1/6} = 0 \\ \Rightarrow & x_1 = 0 \quad \text{or} \quad x_1^{1/6} = 2/3 \\ \Rightarrow & x_1 = 0 \quad \text{or} \quad x_1 = (2/3)^6 = 64/729 \end{aligned}$$

Problem 4. Solve the following systems of equations for x_1 and x_2 using the method of elimination.

a.

$$\begin{aligned}x_1 + x_2 &= 1 \\3x_1 + 2x_2 &= 4\end{aligned}$$

Add the first equation multiplied by -2 to the second equation.

$$\begin{aligned}3x_1 + 2x_2 + (x_1 + x_2) \times (-2) &= 4 + 1 \times (-2) \\ \Rightarrow x_1 &= 2\end{aligned}$$

Add the first equation multiplied by -3 to the second equation.

$$\begin{aligned}3x_1 + 2x_2 + (x_1 + x_2) \times (-3) &= 4 + 1 \times (-3) \\ \Rightarrow -x_2 &= 1 \\ \Rightarrow x_2 &= -1\end{aligned}$$

So the solution is

$$x_1 = 2, \quad x_2 = -1$$

b.

$$\begin{aligned}x_1 - 3x_2 &= -9 \\2x_1 - 7x_2 &= -22\end{aligned}$$

Add the first equation multiplied by -2 to the second equation.

$$\begin{aligned}2x_1 - 7x_2 + (x_1 - 3x_2) \times (-2) &= -22 - 9 \times (-2) \\ \Rightarrow -x_2 &= -4 \\ \Rightarrow x_2 &= 4\end{aligned}$$

Add the first equation multiplied by $\frac{-7}{3}$ to the second equation.

$$\begin{aligned}2x_1 - 7x_2 + (x_1 - 3x_2) \times \frac{-7}{3} &= -22 - 9 \times \frac{-7}{3} \\ \Rightarrow -\frac{x_1}{3} &= -1 \\ \Rightarrow x_1 &= 3\end{aligned}$$

So the solution is

$$x_1 = 3, \quad x_2 = 4$$

c.

$$-x_1 + 5x_2 = 13$$

$$-x_1 + 4x_2 = 10$$

Add the first equation multiplied by -1 to the second equation.

$$-x_1 + 4x_2 + (-x_1 + 5x_2) \times (-1) = 10 + 13 \times (-1)$$

$$\Rightarrow -x_2 = -3$$

$$\Rightarrow x_2 = 3$$

Add the first equation multiplied by $-\frac{4}{5}$ to the second equation.

$$-x_1 + 4x_2 + (-x_1 + 5x_2) \times \frac{-4}{5} = 10 + 13 \times \frac{-4}{5}$$

$$\Rightarrow \frac{-x_1}{5} = -\frac{2}{5}$$

$$\Rightarrow x_1 = 2$$

So the solution is

$$x_1 = 2, \quad x_2 = 3$$

d.

$$2x_1 + 3x_2 = 4$$

$$5x_1 + 7x_2 = 9$$

Add the first equation multiplied by $-\frac{5}{2}$ to the second equation.

$$5x_1 + 7x_2 + (2x_1 + 3x_2) \times \frac{-5}{2} = 9 + 4 \times \frac{-5}{2}$$

$$\Rightarrow \frac{-x_2}{2} = -1$$

$$\Rightarrow x_2 = 2$$

Add the first equation multiplied by $-\frac{7}{3}$ to the second equation.

$$5x_1 + 7x_2 + (2x_1 + 3x_2) \times \frac{-7}{3} = 9 + 4 \times \frac{-7}{3}$$

$$\Rightarrow \frac{x_1}{3} = -\frac{1}{3}$$

$$\Rightarrow x_1 = -1$$

So the solution is

$$x_1 = -1, \quad x_2 = 2$$

e.

$$\begin{aligned}2x_1 + 2x_2 &= 8 \\5x_1 + 4x_2 &= 17\end{aligned}$$

Add the first equation multiplied by $-\frac{5}{2}$ to the second equation.

$$\begin{aligned}5x_1 + 4x_2 + (2x_1 + 2x_2) \times \frac{-5}{2} &= 17 + 8 \times \frac{-5}{2} \\ \Rightarrow -x_2 &= -3 \\ \Rightarrow x_2 &= 3\end{aligned}$$

Add the first equation multiplied by -2 to the second equation.

$$\begin{aligned}5x_1 + 4x_2 + (2x_1 + 2x_2) \times (-2) &= 17 + 8 \times (-2) \\ \Rightarrow x_1 &= 1\end{aligned}$$

So the solution is

$$x_1 = 1, \quad x_2 = 3$$

Problem 5. Solve the following systems of equations for x_1 , x_2 , and x_3 using the method of elimination.

a.

$$\{x_1 = 1, x_2 = 3, x_3 = -2\}$$

$$x_1 + 2x_2 - 2x_3 = 11$$

$$3x_1 + 7x_2 - 10x_3 = 44$$

$$3x_1 + 4x_2 + x_3 = 13$$

Add the first equation multiplied by -3 to the second equation.

$$\begin{aligned} 3x_1 + 7x_2 - 10x_3 + (x_1 + 2x_2 - 2x_3) \times (-3) &= 44 + 11 \times (-3) \\ \Rightarrow x_2 - 4x_3 &= 11 \end{aligned} \tag{1}$$

Add the first equation multiplied by -3 to the third equation.

$$\begin{aligned} 3x_1 + 4x_2 + x_3 + (x_1 + 2x_2 - 2x_3) \times (-3) &= 13 + 11 \times (-3) \\ \Rightarrow -2x_2 + 7x_3 &= -20 \end{aligned} \tag{2}$$

Add equation (1) multiplied by 2 to equation (2)

$$\begin{aligned} -2x_2 + 7x_3 + (x_2 - 4x_3) \times 2 &= -20 + 11 \times 2 \\ \Rightarrow -x_3 &= 2 \\ \Rightarrow x_3 &= -2 \end{aligned} \tag{3}$$

Add equation (1) multiplied by $\frac{7}{4}$ to equation (2)

$$\begin{aligned} -2x_2 + 7x_3 + (x_2 - 4x_3) \frac{7}{4} &= -20 + 11 \times \frac{7}{4} \\ \Rightarrow -\frac{1}{4}x_2 &= -\frac{3}{4} \\ \Rightarrow x_2 &= 3 \end{aligned}$$

Add $x_2 = 3$ multiplied by -2 to the first equation; and add $x_3 = -2$ multiplied by 2 to the first equation.

$$\begin{aligned} x_1 + 2x_2 - 2x_3 - 2x_2 + 2x_3 &= 11 + 3 \times (-2) - 2 \times 2 \\ \Rightarrow x_1 &= 1 \end{aligned}$$

So the solution is

$$x_1 = 1, \quad x_2 = 3, \quad x_3 = -2$$

b.

$$\{x_1 = 2, x_2 = 2, x_3 = -1\}$$

$$\frac{1}{2}x_1 + 2x_2 + x_3 = 4$$

$$2x_1 + 10x_2 + 4x_3 = 20$$

$$3x_1 + 6x_2 + 7x_3 = 11$$

Add the first equation multiplied by -4 to the second equation.

$$2x_1 + 10x_2 + 4x_3 + \left(\frac{1}{2}x_1 + 2x_2 + x_3\right) \times (-4) = 20 + 4 \times (-4)$$

$$\Rightarrow 2x_2 = 4$$

$$\Rightarrow x_2 = 2$$

Add the first equation multiplied by -6 to the second equation.

$$3x_1 + 6x_2 + 7x_3 + \left(\frac{1}{2}x_1 + 2x_2 + x_3\right) \times (-6) = 11 + 4 \times (-6)$$

$$\Rightarrow -6x_2 + x_3 = -13 \tag{4}$$

Add $x_2 = 2$ multiplied by 6, i.e., $6x_2 = 12$, to equation (4).

$$-6x_2 + x_3 + 6x_2 = -13 + 12$$

$$\Rightarrow x_3 = -1$$

Add $x_2 = 2$ multiplied by -2 to the first equation; and add $x_3 = -1$ multiplied by -1 to the first equation.

$$\frac{1}{2}x_1 + 2x_2 + x_3 - 2x_2 - x_3 = 4 - 4 + 1$$

$$\Rightarrow \frac{1}{2}x_1 = 1$$

$$\Rightarrow x_1 = 2$$

So the solution is

$$x_1 = 2, \quad x_2 = 2, \quad x_3 = -1$$

c.

$$\{x_1 = 1, x_2 = -1, x_3 = 2\}$$

$$3x_1 + \frac{1}{3}x_2 + 2x_3 = \frac{20}{3}$$

$$6x_1 + x_2 + 4x_3 = 13$$

$$-3x_1 - 2x_2 - 3x_3 = -7$$

Add the first equation multiplied by -2 to the second equation.

$$6x_1 + x_2 + 4x_3 + \left(3x_1 + \frac{1}{3}x_2 + 2x_3\right) \times (-2) = 13 + \frac{20}{3} \times (-2)$$

$$\Rightarrow \frac{1}{3}x_2 = -\frac{1}{3}$$

$$\Rightarrow x_2 = -1$$

Add the first equation to the third equation.

$$-3x_1 - 2x_2 - 3x_3 + \left(3x_1 + \frac{1}{3}x_2 + 2x_3\right) = -7 + \frac{20}{3}$$

$$\Rightarrow -\frac{5}{3}x_2 - x_3 = -\frac{1}{3} \quad (5)$$

Add $x_2 = -1$ multiplied by $\frac{5}{3}$ to equation (5).

$$-\frac{5}{3}x_2 - x_3 + \frac{5}{3}x_2 = -\frac{1}{3} - \frac{5}{3}$$

$$\Rightarrow -x_3 = -2$$

$$\Rightarrow x_3 = 2$$

Add $x_2 = -1$ multiplied by -1 to the second equation; and add $x_3 = 2$ multiplied by -4 to the second equation.

$$6x_1 + x_2 + 4x_3 - x_2 - 4x_3 = 13 + 1 - 8$$

$$\Rightarrow 6x_1 = 6$$

$$\Rightarrow x_1 = 1$$

So the solution is

$$x_1 = 1, \quad x_2 = -1, \quad x_3 = 2$$

Problem 6. Solve the following systems of equations for x_1 and x_2 using the method of substitution.

a.

$$24x_1^{-3/4}x_2^{1/2} - 9 = 0$$

$$48x_1^{1/4}x_2^{-1/2} - 32 = 0$$

From the first equation,

$$24x_1^{-3/4}x_2^{1/2} - 9 = 0$$

$$\Rightarrow 24x_1^{-3/4}x_2^{1/2} = 9$$

$$\Rightarrow \frac{24}{9}x_1^{-3/4} = x_2^{-1/2}$$

$$\Rightarrow x_2^{-1/2} = \frac{8}{3}x_1^{-3/4}$$

Substitute $x_2^{-1/2} = \frac{8}{3}x_1^{-3/4}$ into the second equation.

$$48x_1^{1/4}x_2^{-1/2} - 32 = 0$$

$$\Rightarrow 48x_1^{1/4}\left(\frac{8}{3}x_1^{-3/4}\right) - 32 = 0$$

$$\Rightarrow x_1^{1/4}\left(\frac{8}{3}x_1^{-3/4}\right) = 32/48$$

$$\Rightarrow x_1^{-1/2} = \frac{2}{3} \times \frac{3}{8} = 4^{-1}$$

$$\Rightarrow x_1^{1/2} = 4$$

$$\Rightarrow x_1 = 16$$

Substitute $x_1 = 16$ into $x_2^{-1/2} = \frac{8}{3}x_1^{-3/4}$.

$$x_2^{-1/2} = \frac{8}{3}x_1^{-3/4}$$

$$\Rightarrow x_2^{-1/2} = \frac{8}{3}16^{-3/4}$$

$$\Rightarrow x_2^{-1/2} = \frac{1}{3}$$

$$\Rightarrow x_2 = 9$$

So the solutions is

$$x_1 = 16, \quad x_2 = 9$$

b.

$$\begin{aligned}128x_1^{-3/5}x_2^{1/4} - 64 &= 0 \\80x_1^{2/5}x_2^{-3/4} - 5 &= 0\end{aligned}$$

From the first equation,

$$\begin{aligned}128x_1^{-3/5}x_2^{1/4} - 64 &= 0 \\ \Rightarrow x_1^{-3/5}x_2^{1/4} &= 64/128 \\ \Rightarrow x_2^{1/4} &= 2^{-1}x_1^{3/5} \\ \Rightarrow x_2^{-3/4} &= 8x_1^{-9/5}\end{aligned}$$

Substitute $x_2^{-3/4} = 8x_1^{-9/5}$ into the second equation.

$$\begin{aligned}80x_1^{2/5}x_2^{-3/4} - 5 &= 0 \\ \Rightarrow 80x_1^{2/5}(8x_1^{-9/5}) &= 5 \\ \Rightarrow x_1^{-7/5} &= \frac{1}{128} = 2^{-7} \\ \Rightarrow x_1 &= 2^5 = 32\end{aligned}$$

Substitute $x_1 = 32$ into $x_2^{1/4} = 2^{-1}x_1^{3/5}$.

$$\begin{aligned}x_2^{1/4} &= 2^{-1}x_1^{3/5} \\ \Rightarrow x_2^{1/4} &= 2^{-1}32^{3/5} = 4 \\ \Rightarrow x_2 &= 256\end{aligned}$$

So the solution is

$$x_1 = 32, \quad x_2 = 256$$

Problem 7. Do the following problems from the book.

a. Section 3.6

- 1) 1a
- 2) 1b
- 3) 3
- 4) 5

b. Section 4.2

- 1) 3b
- 2) 7a
- 3) 7b
- 4) 13

c. Section 4.4

- 1) 1a
- 2) 1b
- 3) 3
- 4) 7a
- 5) 7b
- 6) 7c
- 7) 7d

d. Section 4.5

- 1) 3
- 2) 5

e. Section 4.6 (Besides equation 2 on page 105 of the text, equation 5 on page 106 of the text is useful.)

- 1) 3a
- 2) 3c
- 3) 3d
- 4) 3e
- 5) 3f