

24. Initially, the demand and supply for Wapanzo beans are

$$Q_d = 100,000 - 5000p$$

$$Q_s = -50,000 + 10,000p,$$

where p = price in cents per pound and Q = pounds per day. Then the government decides that Wapanzo beans are bad for people and a law is passed requiring that half of all Wapanzo beans produced must be destroyed. How will this affect the supply and demand curves and the market price and quantity of Wapanzo beans?

25. Initially, the demand and supply for Wapanzo beans are

$$Q_d = 100,000 - 5000p$$

$$Q_s = -50,000 + 10,000p,$$

where p = price in cents per pound and Q = pounds per day. The government has a stockpile of Wapanzo beans (which is not included in the initial supply equation). It wants to cut the price of Wapanzo beans to 8 cents per pound. How much should it sell from its stockpile?

27. Ernest's demand for haircuts is $Q_d = 10 - 2p$. What is the market demand equation for haircuts if there are five people identical to Ernest in the market?

29. Initially, the demand and supply for unskilled teenage workers are

$$L_d = 350 - 50w$$

$$L_s = -400 + 100w,$$

where w = wage in dollars per hour and L = number of workers hired per day.

- The government then imposes a minimum wage at \$6 per hour. How will this affect employment and unemployment in this market?
- At the end of the summer a lot of these teenagers drop out of the labor market and go to school full time. Which of these is more likely to be the subsequent labor supply curve? Explain.

$$L_{s1} = -200 - 50w \text{ or } L_{s2} = -600 + 150w$$