

Name:

Five Minute Exercise
Calculating Market Demand

Given:

Buyer 1's willingness to pay is $W2P_1 = 100 - Q_1$

Buyer 2's willingness to pay is $W2P_2 = 100 - (1/2)*Q_2$

The market price is \$20

Determine:

The total amount demanded by the two buyers

Answer: