

**SANGAM SKM COLLEGE - NADI**  
**YEAR 12 Economics WORKSHEET- 2021**

**Week 4**

**Strand Two: Microeconomics    Elasticity**

1. Define the different types of elasticity and write down the formulas in the table given below.

Definition	Formula
1.Price Elasticity of Demand	
2.Income Elasticity of Demand	
3.Cross Elasticity of Demand	

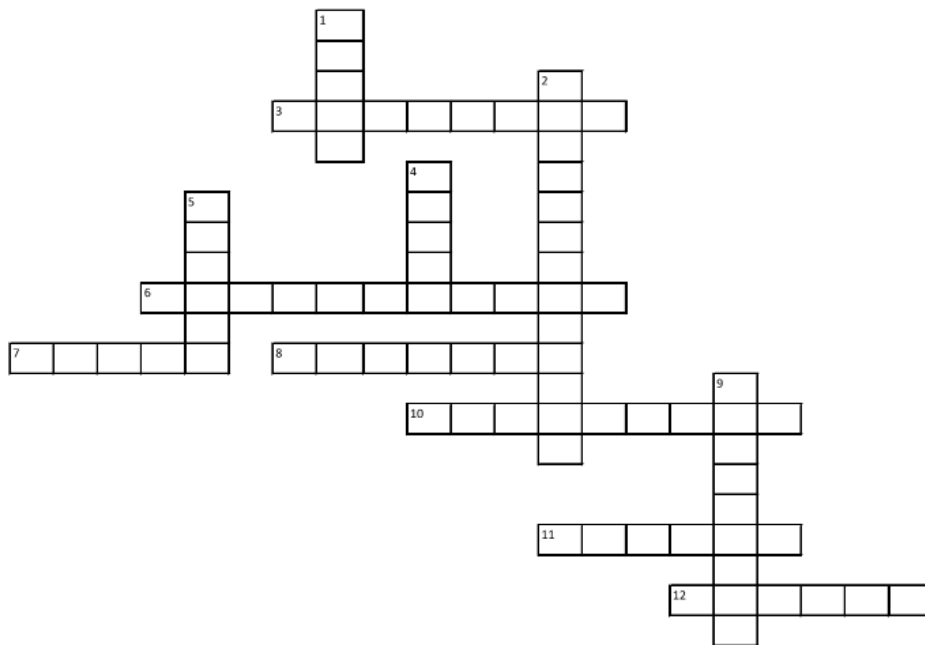
**2. Fill in the Blanks**

Use the words in the box given below to answer the questions given.

**downward; minus; positive , Elasticity; percentage , quantity demanded; price , elastic;1  
income ; quantity demanded**

1. \_\_\_\_\_ is the general concept of measuring the responsiveness of one economic variable to another in \_\_\_\_\_ terms.
2. The price elasticity of demand measures how \_\_\_\_\_ changes in response to a change in \_\_\_\_\_.
3. Since the demand curve slopes \_\_\_\_\_, elasticity of demand has a(an) \_\_\_\_\_ sign. However, economist ignore this, and treat it as \_\_\_\_\_ number
4. Demand is said to be \_\_\_\_\_ when the elasticity of demand is greater than \_\_\_\_\_.
5. The \_\_\_\_\_ elasticity of demand measures the responsiveness of \_\_\_\_\_ to changes in consumer income, holding other things equal.

3. Complete the given crossword on the topic Elasticity



**Across**

- 3. As income increases, the demand for this type of good decreases.
- 6. Goods that can replace one another, such as butter and margarine.
- 7. The law of demand states that quantity demanded increases as \_\_\_\_\_ decreases.
- 8. \_\_\_\_\_ demanded is the amount of a good or service demanded at a particular price.
- 10. Expanding into foreign markets \_\_\_\_\_ both the number of buyers and the demand for goods and services
- 11. As income increases, the demand for this type of good increases.
- 12. Being able and willing to buy a good or service.

**Down**

- 1. Movements \_\_\_\_\_ the demand curve illustrate the law of demand.
- 2. Goods that go together, like tennis rackets and tennis balls.
- 4. A \_\_\_\_\_ in the demand curve can result from the changes in consumer preference, income, prices of related goods, number of buyers, and beliefs about the future.
- 5. \_\_\_\_\_ expectations of price and income can affect the present demand for goods and services.
- 9. An outbreak of mad cow disease \_\_\_\_\_ the demand for beef, because consumers bought less meat.

*(Reference copyright-Council for Economic Education)*

