

**27. Incorrect. The answer is true not false.** It does not matter what units are in your equations provided you use the same units when you apply the equations. I use the units  $P = 25$ ,  $Q = 1$ ,  $E_d = -0.5$  and  $E_s = 0.6$ . Since  $E_d = b(P/Q)$ ,  $b = E_d * Q/P = -0.5 * 1/25 = -0.02$ .  $a = Q - bP = 1 - (-0.02)25 = 1.5 \Rightarrow Q_d = 1.5 - 0.02P$ . Since  $E_s = d(P/Q)$ ,  $d = E_s * Q/P = 0.6 * 1/25 = 0.024$ .  $c = Q - dP = 1 - (0.024)25 = 0.4 \Rightarrow Q_s = 0.4 + 0.024P$ .