

TABLE 5B14 PRICE AND INCOME ELASTICITIES OF DEMAND FOR GASOLINE

Study	Type, coverage	Price elasticity		Income elasticity	
		Short run	Long run	Short run	Long run
Data Resources Inc, 1973	Time series, USA, 1950-73	-0.07	-0.23	0.28	0.94
Rand Corporation, 1974	Time series, USA, 1950-73	-0.26	-0.78	0.18	0.88 ownership
	Emi.p =	-0.36			
	Emg.p =	0.17			
	Ek.p =	-0.25			
Houthakker et al, 1974	Dynamic pooled time series, USA, 1963-72	-0.075	-0.24	0.303	0.98
Charles River Associates, 1975	&-region pooled time series, USA, 1950-73	-0.28	-1.37	0.012	0.06
Houthakker & Kennedy, 1975	Logarithmic flow-adjustment, 12 OECD countries, 1962-72	-0.47	-0.80	0.74	1.33
Ramsey et al, 1975	Time series, no dynamics, USA, 1947-70	-0.77		1.34	
Federal Energy Administration, 1976	Time series, vehicle-miles, aggregate, USA	-0.48		0.98	
Sweeney, 1978	Time series, vehicle-miles, USA, 1950-73	Emi.p = -0.22	Emg.p = 0.72		0.82
			Emi.p = -0.06		
Pindyck, 1979	Pooled 11 countries, time series, 1950-73	Ek.p = -0.26	Ek.p = -0.64	Emi.y = 0.06	Emi.y = 0.66
		Emg.p = 0.11	Emg.p = 1.43	Ek.y = 0.12	Ek.y = 0.30
Archibald & Gillingham, 1981	G, MI, MG equations, USA, 1972-74	1 car -0.77 2 car -0.22		1 car 0.29 2 car 0.56	
Wheaton, 1981	Cross national, 25 countries, 1972	Eg.p = -0.78		Eg.y = 1.20	
	Emi.p =	-0.52	Emi.y =	0.52	
	Emg.p =	0.32	Emg.y =	-0.19	
	Ek.p =	0.16	Ek.y =	1.26	
Fishelson, 1982	Time series, G, MI, MG, K equations, USA, 1960-78	-0.49	-0.98		

Note Emi.p elasticity of response of distance travelled to gasoline price.

Emg.p elasticity of response of efficiency to gasoline price.

Ek.p elasticity of vehicle stock to gasoline price.

Eg.p price elasticity of demand for gasoline.

Eg.y income elasticity of demand for gasoline.

Source Drollas (1984, table 1, p. 73).