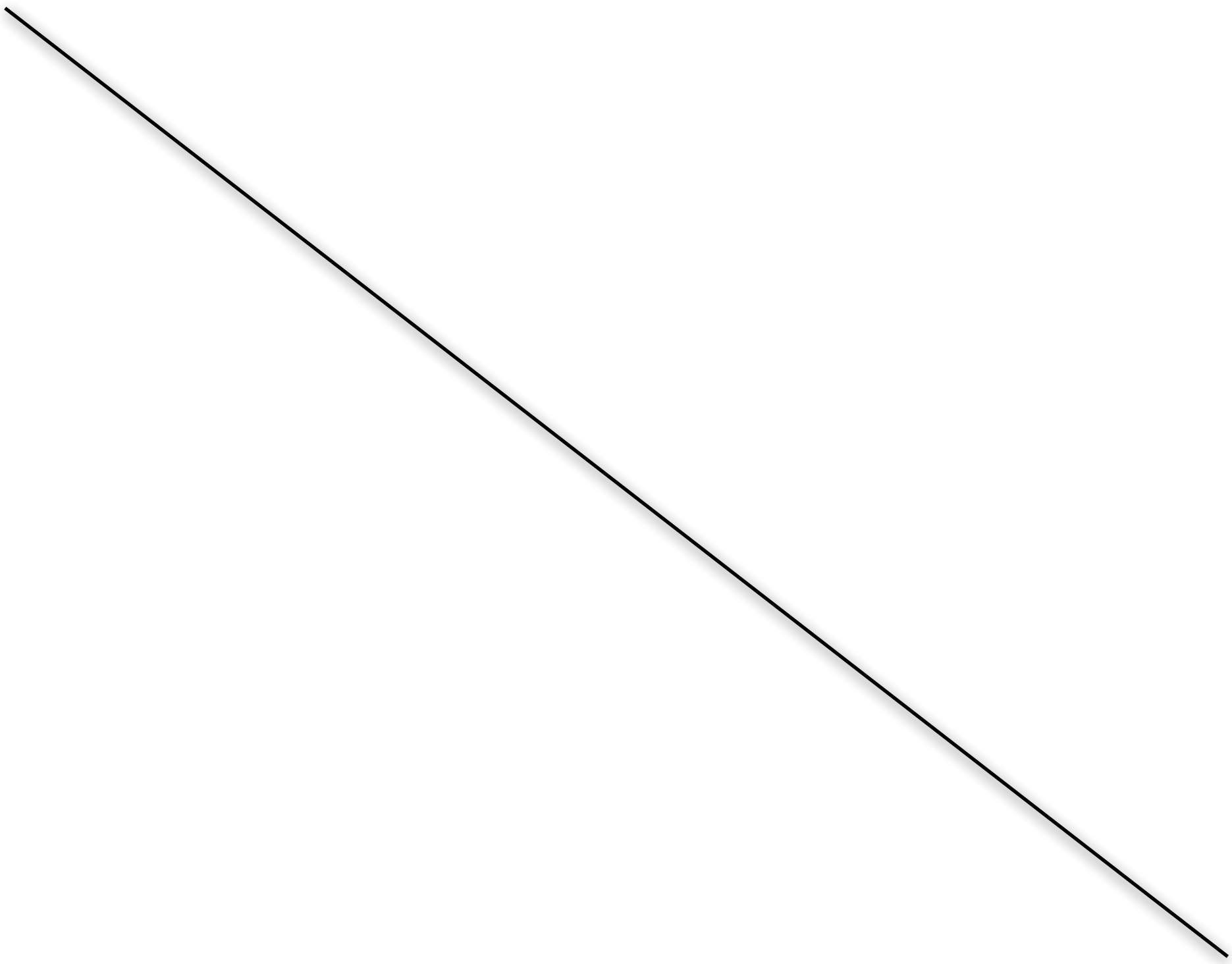


Elasticity **Changes Along** the Demand Line





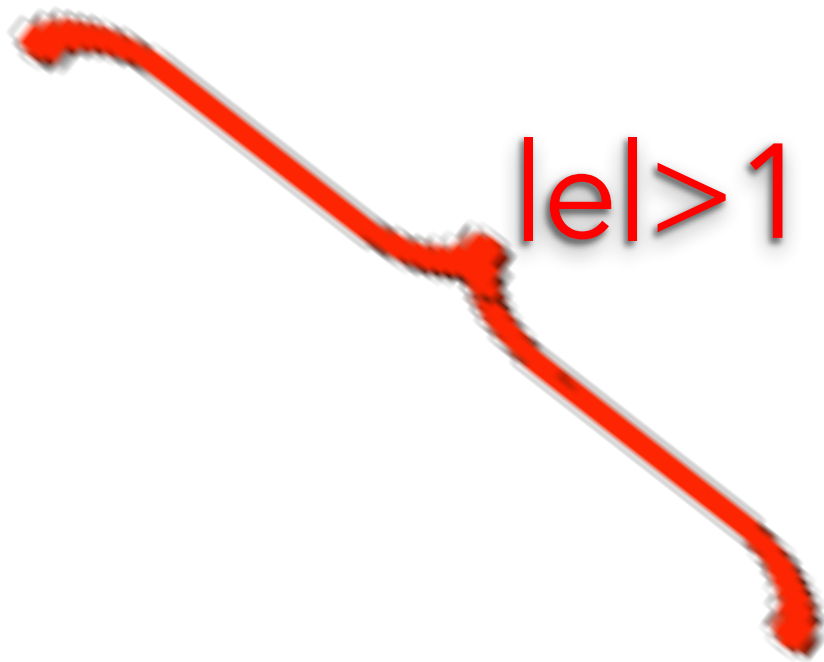


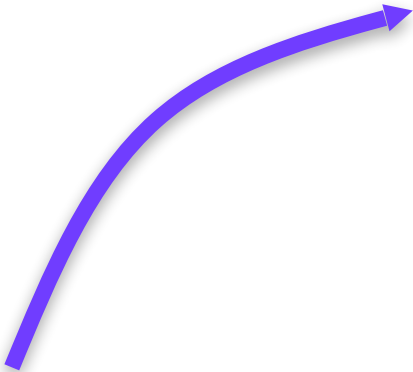




A blue curve is plotted on a white background. The curve starts at the top left, curves downwards and to the right, then has a cusp pointing to the right, and finally curves downwards and to the right again. The curve is thick and has a slight shadow. To the right of the cusp, the text $|e|<1$ is written in blue. In the top left corner, there is a short, thin gray line segment.

$|e|<1$





$|e| = 1$

Midpoint



= 100

$$100/2 \equiv 50$$

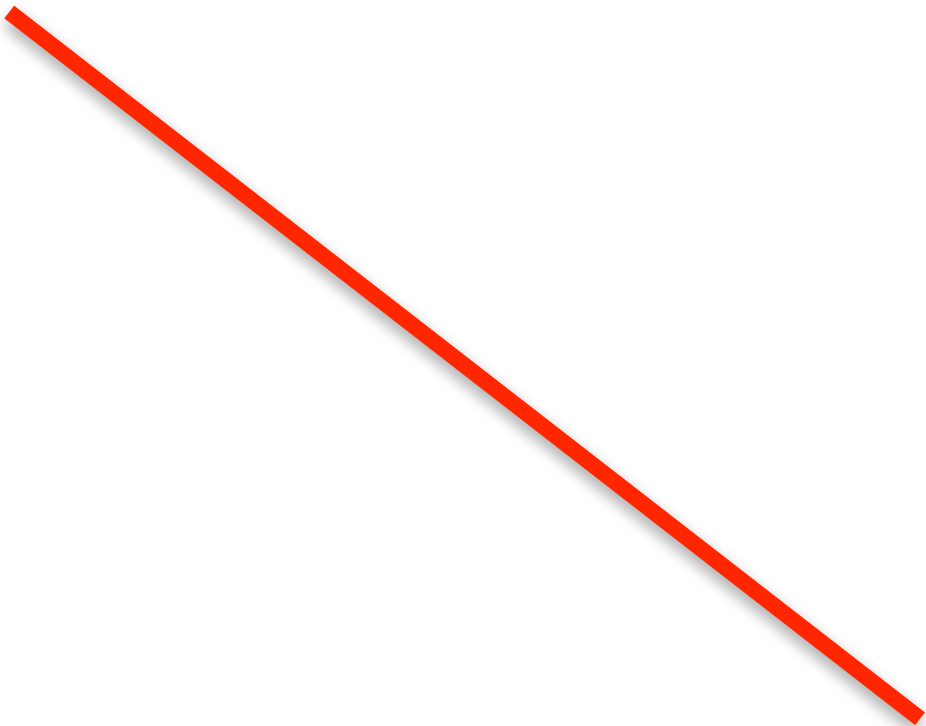


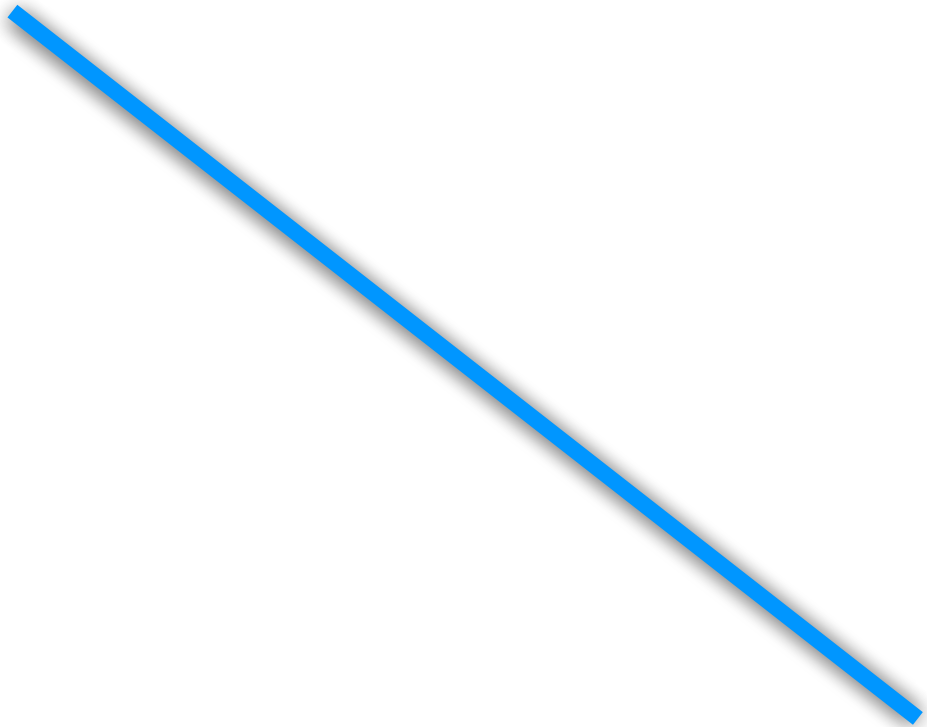
= 1000

$$1000/2 \equiv 500$$

Elastic

Inelastic







Quantity
intercept

Quantity
intercept $\div 2$



A





h

e

m



d

p







d



m

a



o



S

u





e



a









Midpoint



A

b





e



h



m



d

p





n







m

a

n

d



S

E



a

S







B







W



h

e

m



d

p











e

m

a



d



S









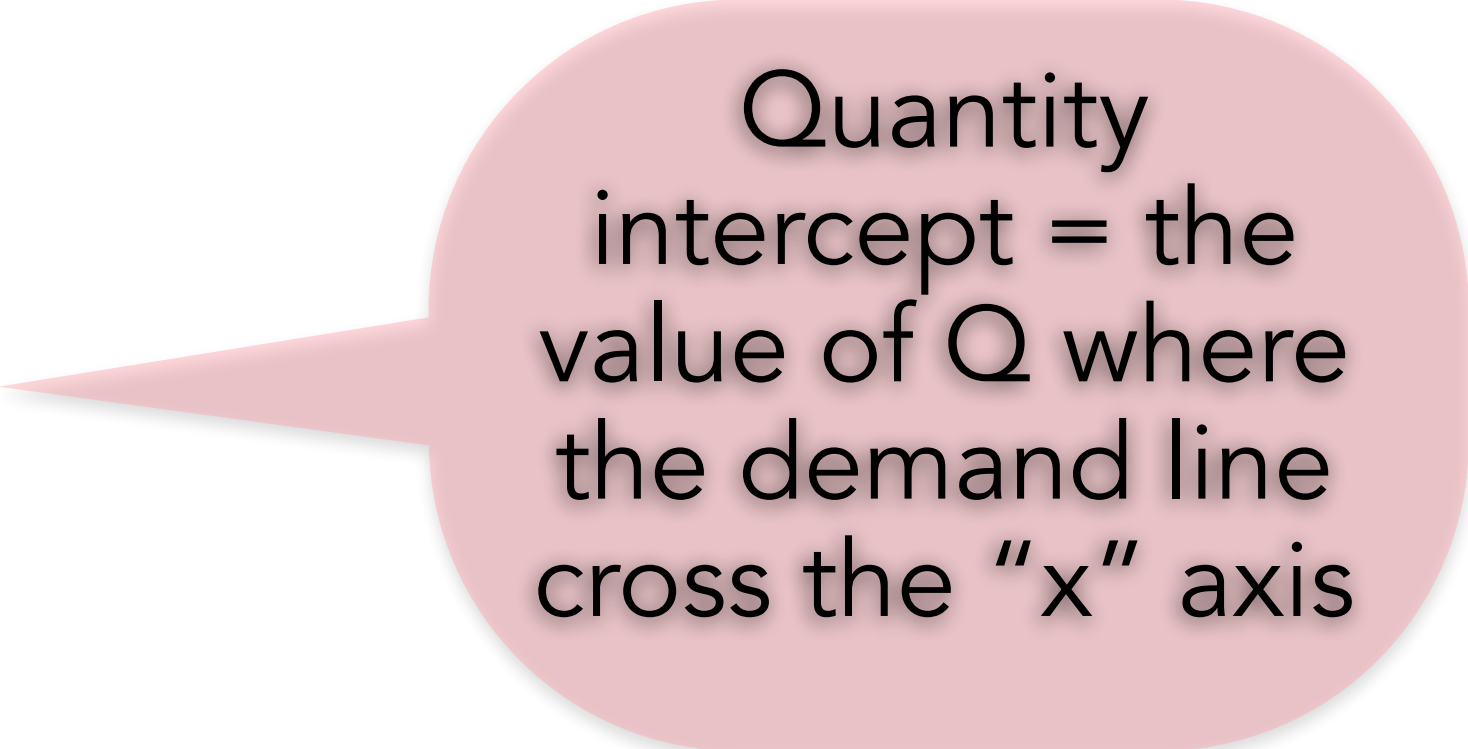
a











Quantity
intercept = the
value of Q where
the demand line
cross the "x" axis

At the midpoint demand is unit
elastic

Above the midpoint: Demand
is Elastic

Elasticity **Changes Along** the Demand Line

