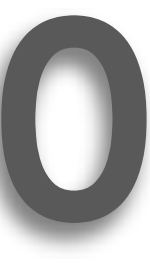
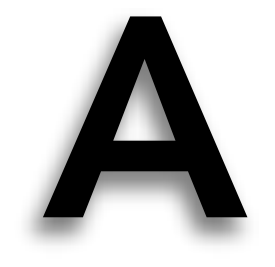

10

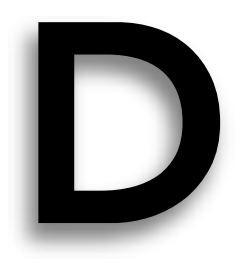
8

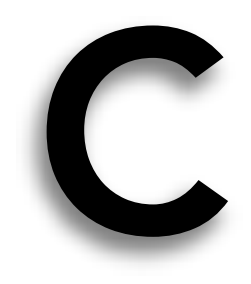


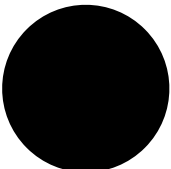

10

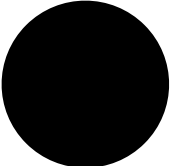

B

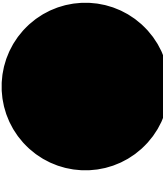

A

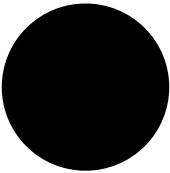




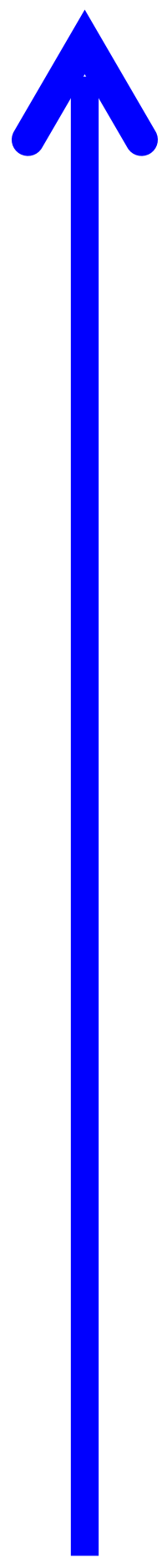




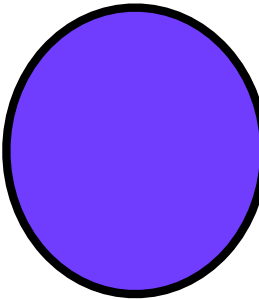




Supply



Make B the Midpoint




4


6


6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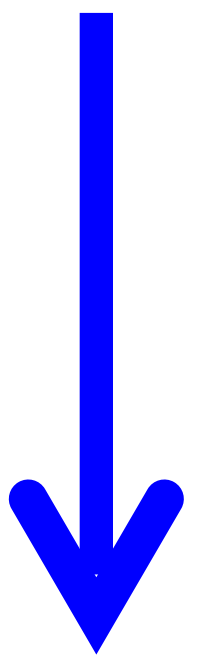
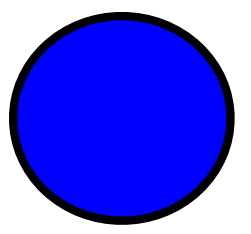
2

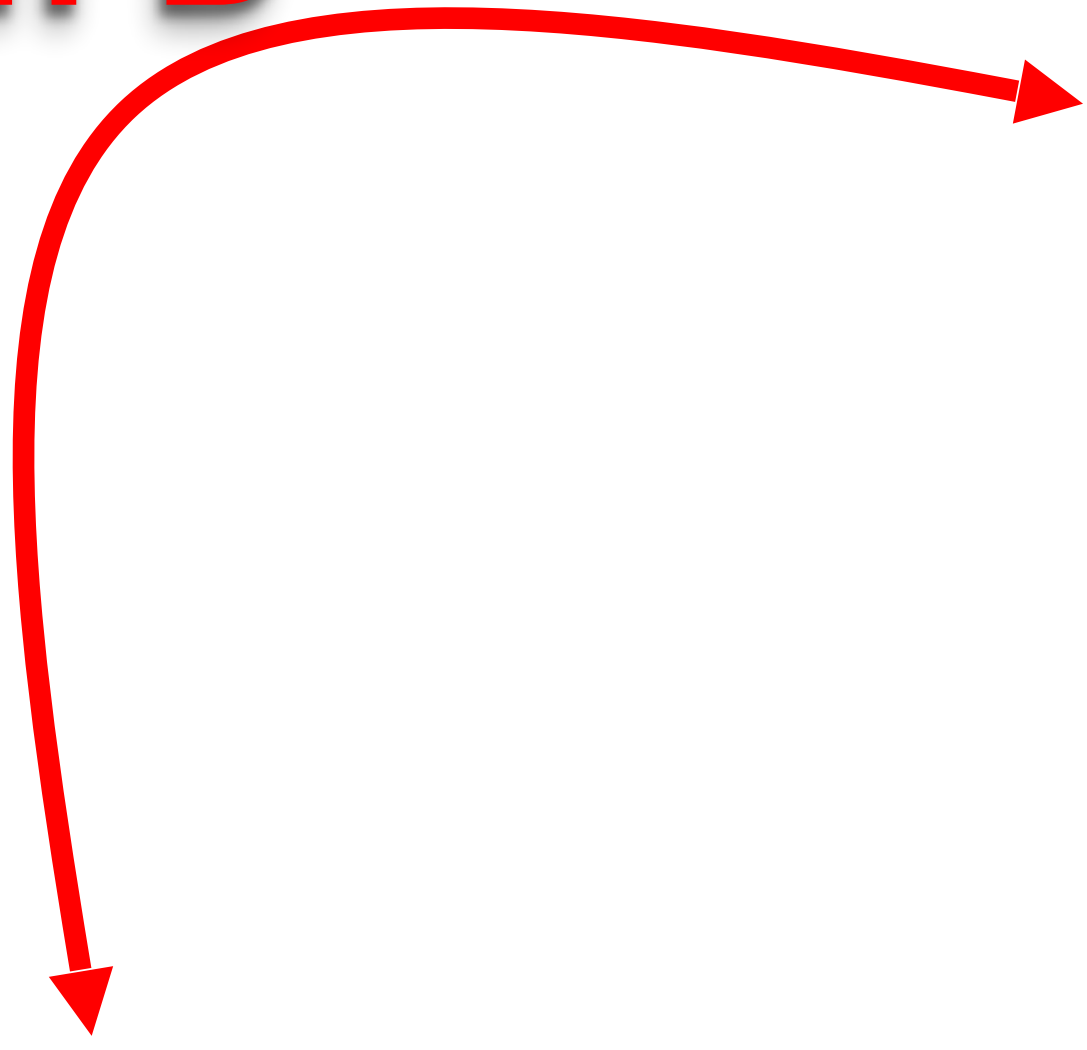



4




B

Same distance from B



Choose two points same distance from B (one above, one below)

Calculate the Elasticity at point B

$$\%\Delta Q^{s} =$$

$$(8-4)/(8+4)/2$$

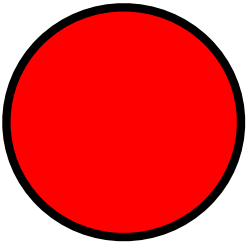
$$=0.66$$

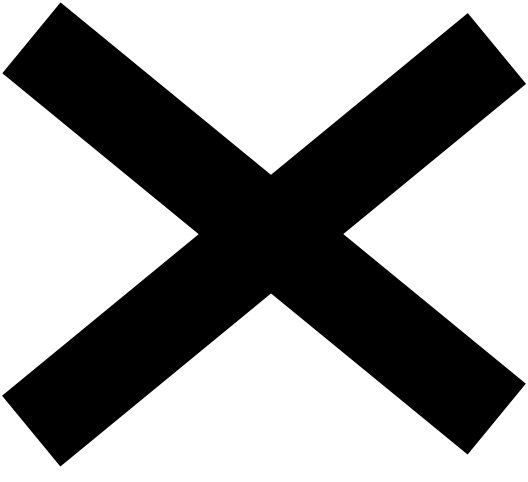
$$\%\Delta P =$$

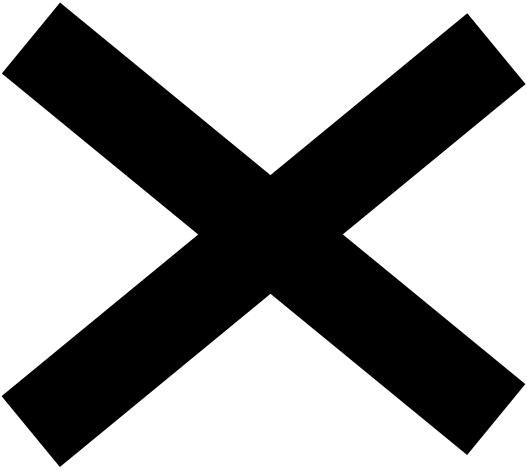
$$(6-2)/(6+2)/2$$

$$=1$$

$$e_p^{s} = 0.66/1$$

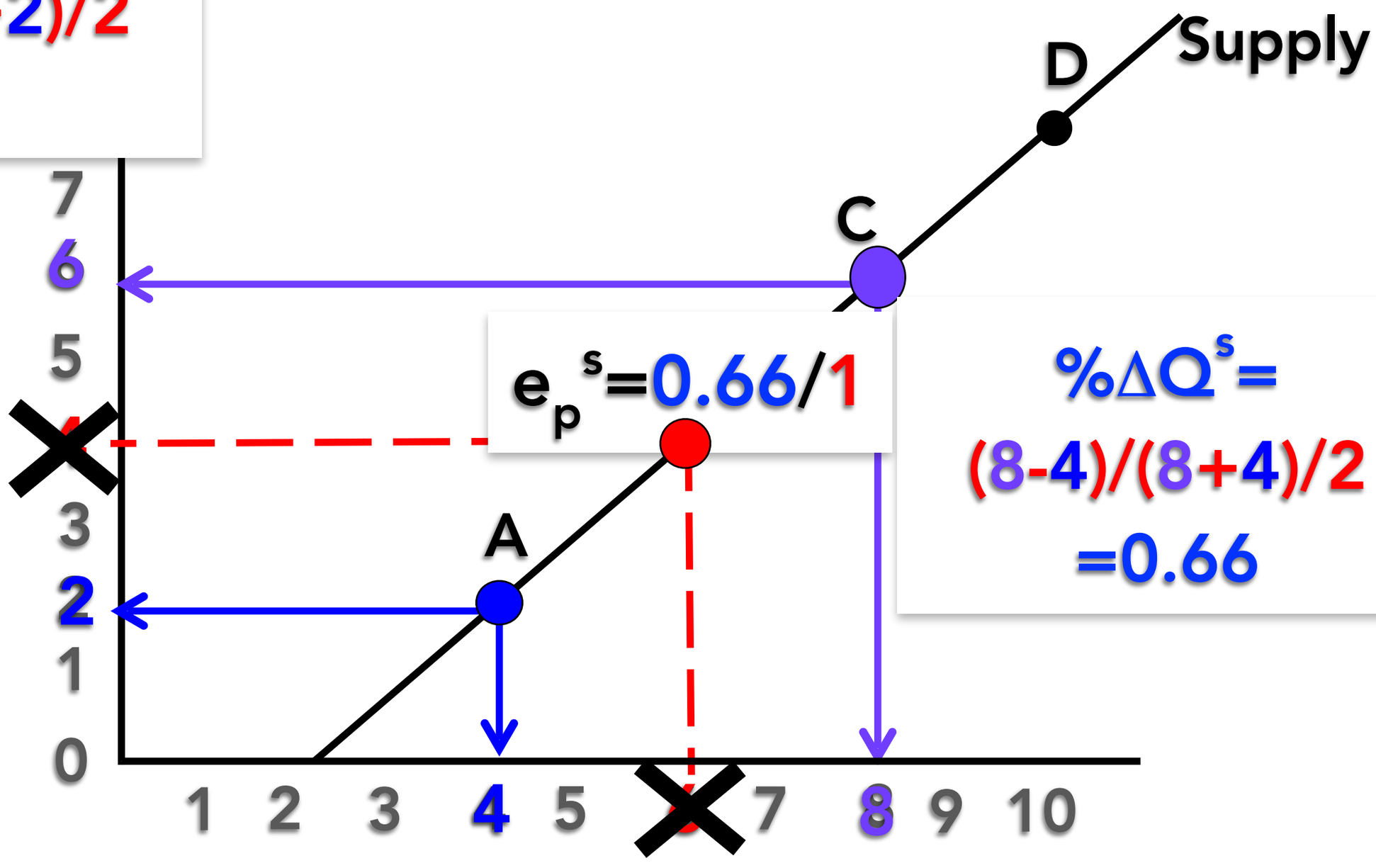






Calculate the Elasticity at point B

$$\%\Delta P = (6-2)/(6+2)/2 = 1$$



$$\%\Delta Q^s = (8-4)/(8+4)/2 = 0.66$$

Elasticity Changes Along Supply