

















If the price is \$11 consumer would buy one unit

If the price is \$10 the consumer would buy TWO units: unit 1 which is worth more than \$10 and unit 2 which is worth \$10

If the price is \$1 the consumer would buy 10 units

Unit 1's value to consumer is

Unit 2's value to consumer is \$10

Unit 10's Value to consumer is \$1

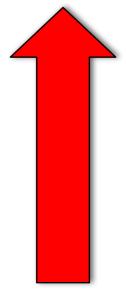




If the price is \$12 consumer would buy zero units

Gives us the Value of each unit to

consumer



The distance to the Demand

curve

