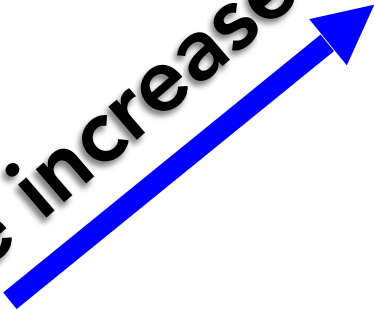


e decreases

A thick red arrow pointing diagonally upwards and to the right, starting from the bottom left and ending with a triangular arrowhead at the top right. The text "e decreases" is written in a bold, black, sans-serif font, slightly tilted to match the angle of the arrow, and positioned above it.

e increases

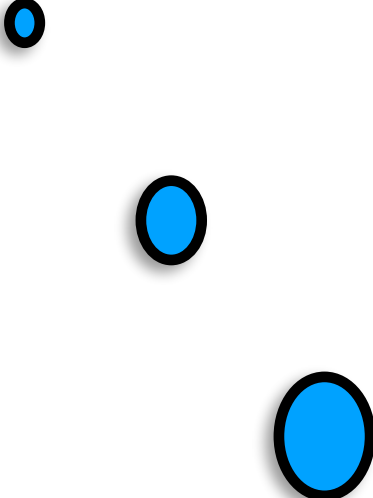


$e \rightarrow 1$ elastic

$e \nu \rightarrow \nu$ inelastic

All supply
lines that Cut
Vertical Axis
are Elastic

All Supply lines that
Cut **Horizontal** Axis
are **Inelastic**



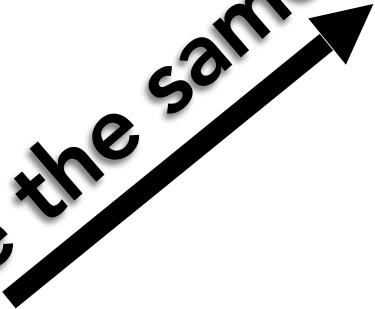
Same slope
different
elasticity

$e = 1$ Unit Elastic

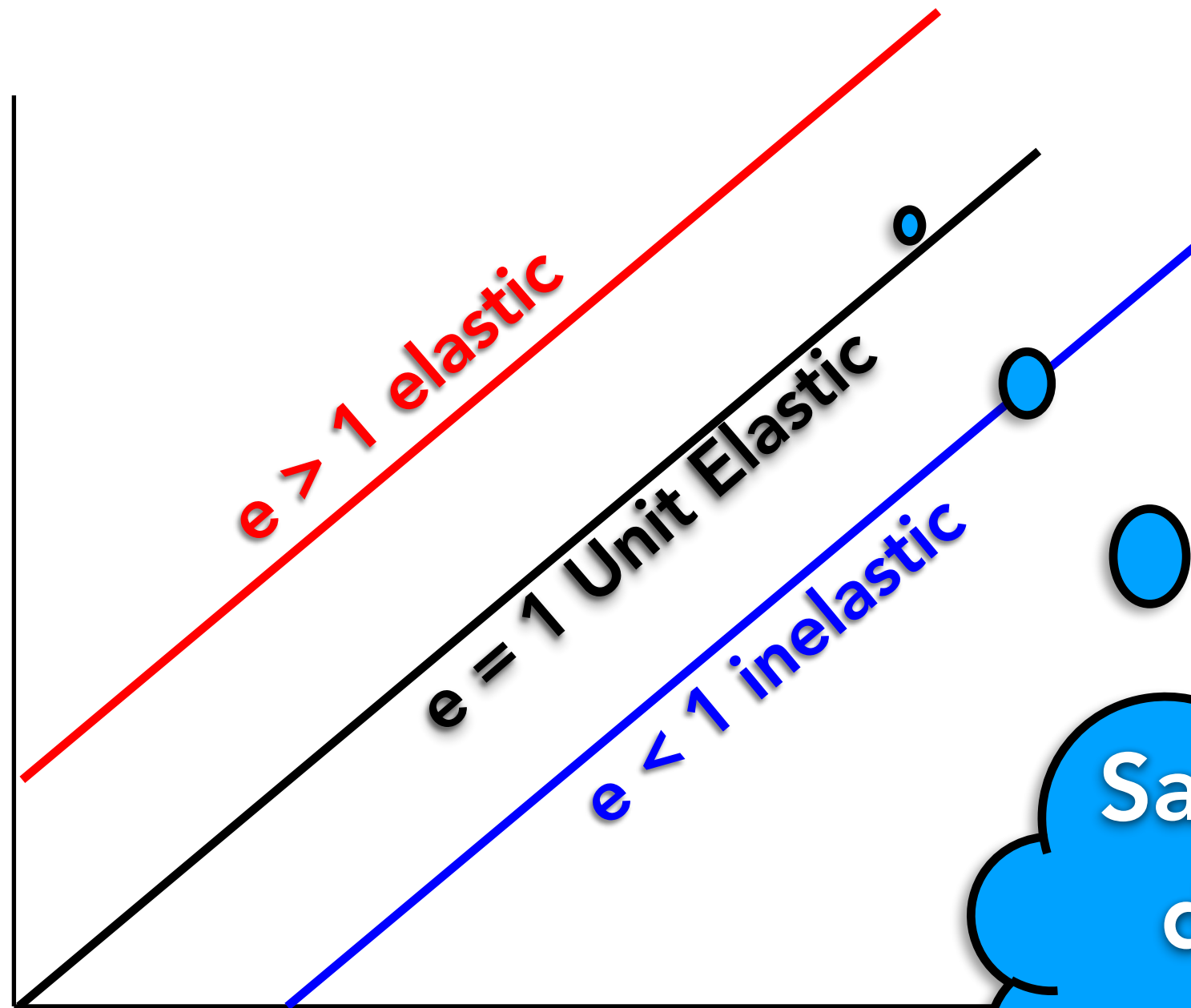
All Supply lines that
Cut through the **origin**
are **Unit Elastic**

Slope and Elasticity are **not** the same

e the same



Slope and Elasticity are **not** the same



Same slope
different
elasticity

The price elasticity of Supply is 0.5: Inelastic supply

What is the **change in price** necessary to induce a
10% increase in Quantity Supplied?