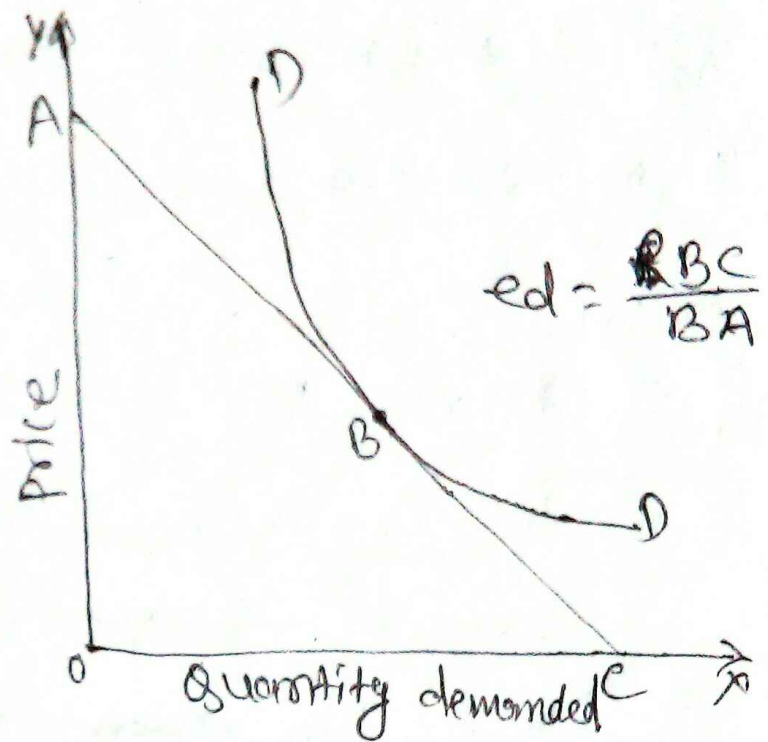


(3) Geometrical method or Point method.



$$ed = \frac{\text{Lower sector}}{\text{Upper sector}} = \frac{BC}{BA}$$

⇒ Various degrees of ed on a straight line demand curve.

