

2.7 Income elasticity of demand

$$= \frac{\% \text{ change in quantity demanded}}{\% \text{ change in income}}$$

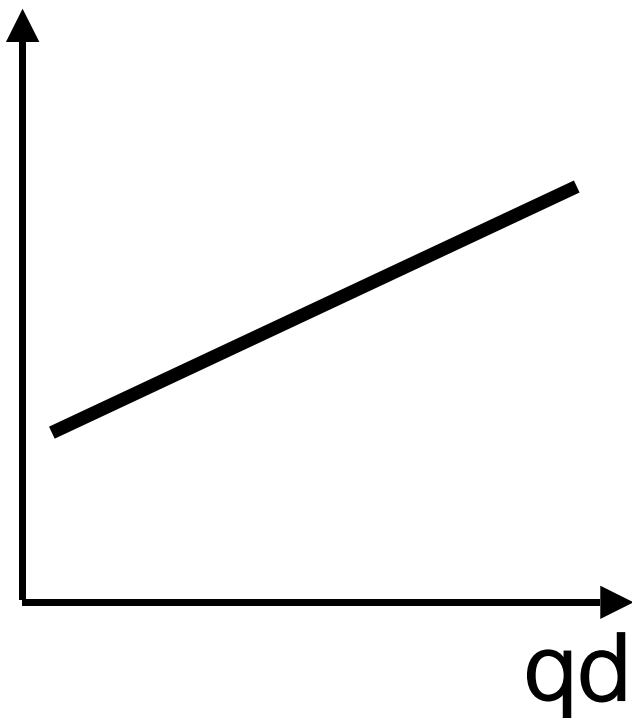
$$le > 0$$

$$le < 0$$

→ **Normal** good

→ **Inferior** good

Income



Income

