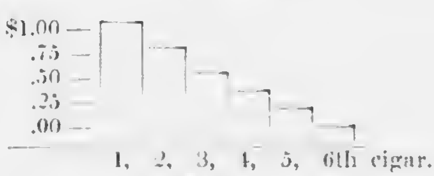
is called the marginal purchaser. Margin means "edge" and C is the purchaser who is on the edge of the market. If there had been only two automobiles, he would not have been supplied; if there had been four instead of three for sale, the price would have had to be reduced to $8,500 and then D would have been the purchaser on the margin. This example is of course highly theoretical and would probably never happen in this way in real life, yet the principle is true and works out with greater precision, as there are a greater number of buyers and sellers, and as the knowledge of each others' real desires increases.

36. *Marginal utility to the individual.*—In the illustration we have assumed that each buyer desires but one unit of the article for sale. With many classes of goods, each buyer may desire more than one unit, cigars for instance. Some wealthy men might give a dollar if they had to for one cigar a day but they would not give so much for a second. From this fact we derive the "law of satiety," that every unit of a commodity consumed yields successively less satisfaction and has less utility to the consumer than its predecessor. The demand of any one consumer for units of a given commodity within a given period may be represented by the following diagram:



To make a chart showing the demand for cigars, it would be necessary to combine the charts representing the demand of each consumer. Suppose for the sake of simple illustration there were one hundred consumers