

The production possibility curve (PPC) is a graph that show the various combination of output - in this case, fish and rice that economy can possibly produce

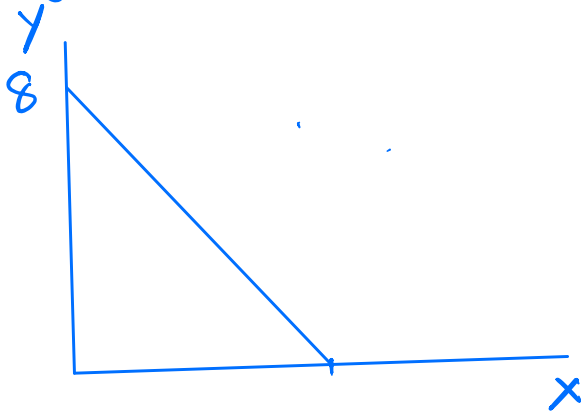
X	Y
0	18
1	$18 - 0.6 = 17.4$
2	16.8
3	16.2
⋮	⋮
10	12
11	10.67
12	9.34
⋮	⋮
16	4
17	3
18	2
19	1
20	0

H.W. If the technology of producing X improves so much that the amount of X we can have doubles at all quantities

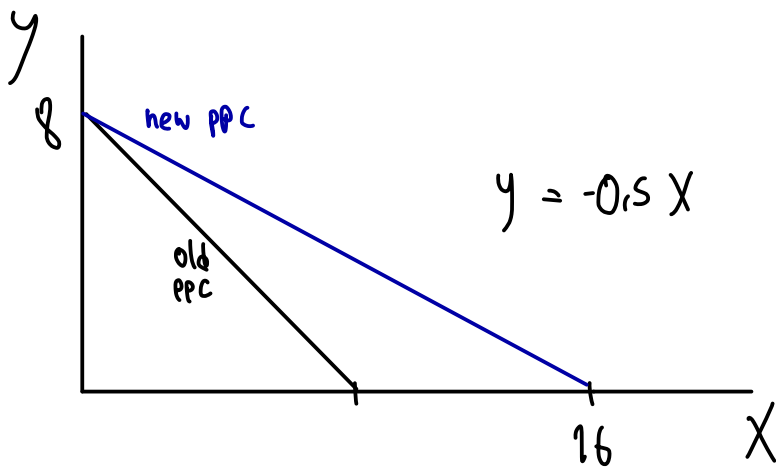
of Y . How will the PPC below change?

Cost of X is higher?

Cost of Y is higher?



H.W. Due
Sept 1.



According to improved technology of producing X ,
we can produce X more than before