

Y

Income Consumption Curve

$$P_x = 3$$

$$P_y = 4$$

$$\text{Budget} = 120$$

$$\text{Budget} = 90$$

$$\text{Budget} = 150$$

50

40

30

20

10

I_2

I_1

I_0

X

10

20

30

40

50

60

Y

$$P_x = 3$$

$$P_y = 4$$

$$\text{Budget} = 120$$

$$\text{Budget} = 90$$

$$\text{Budget} = 150$$

50

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30

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I_2

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20

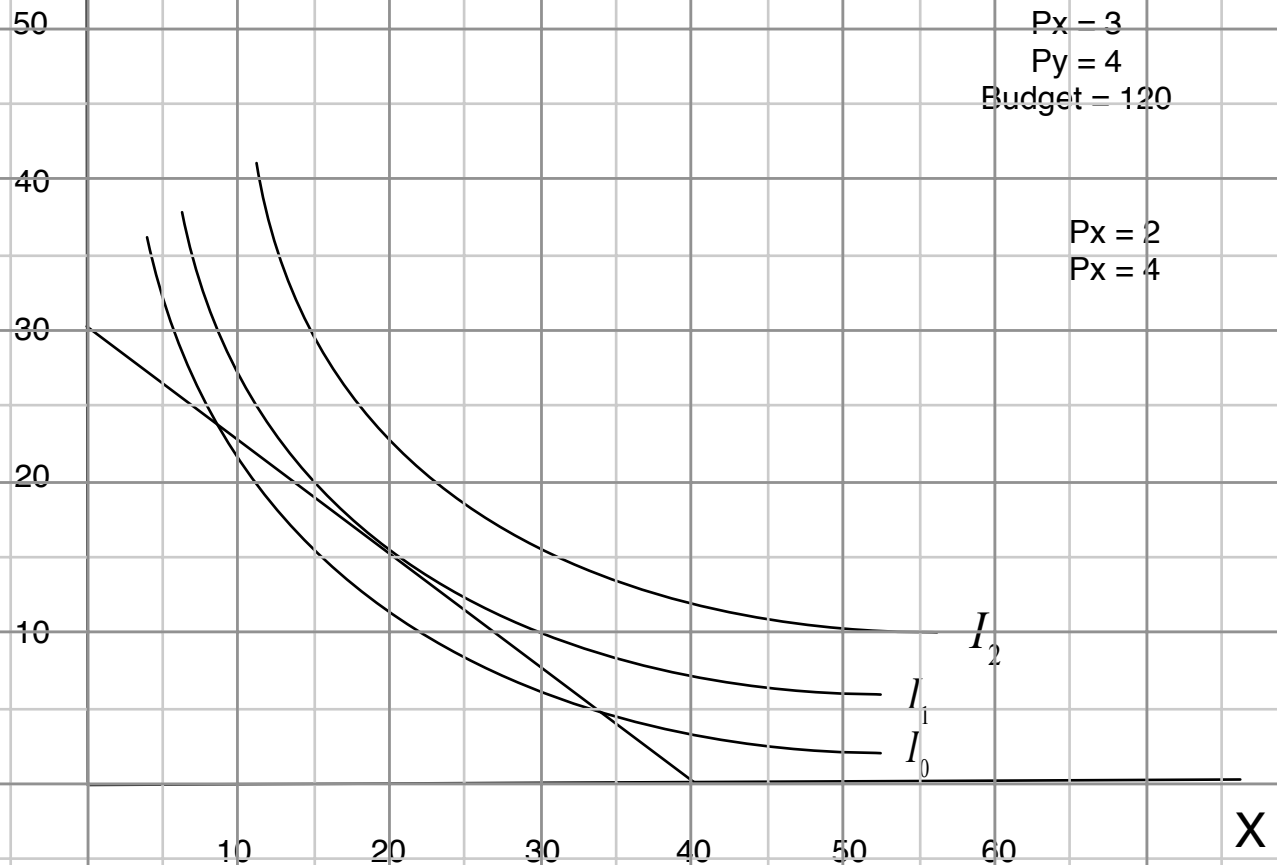
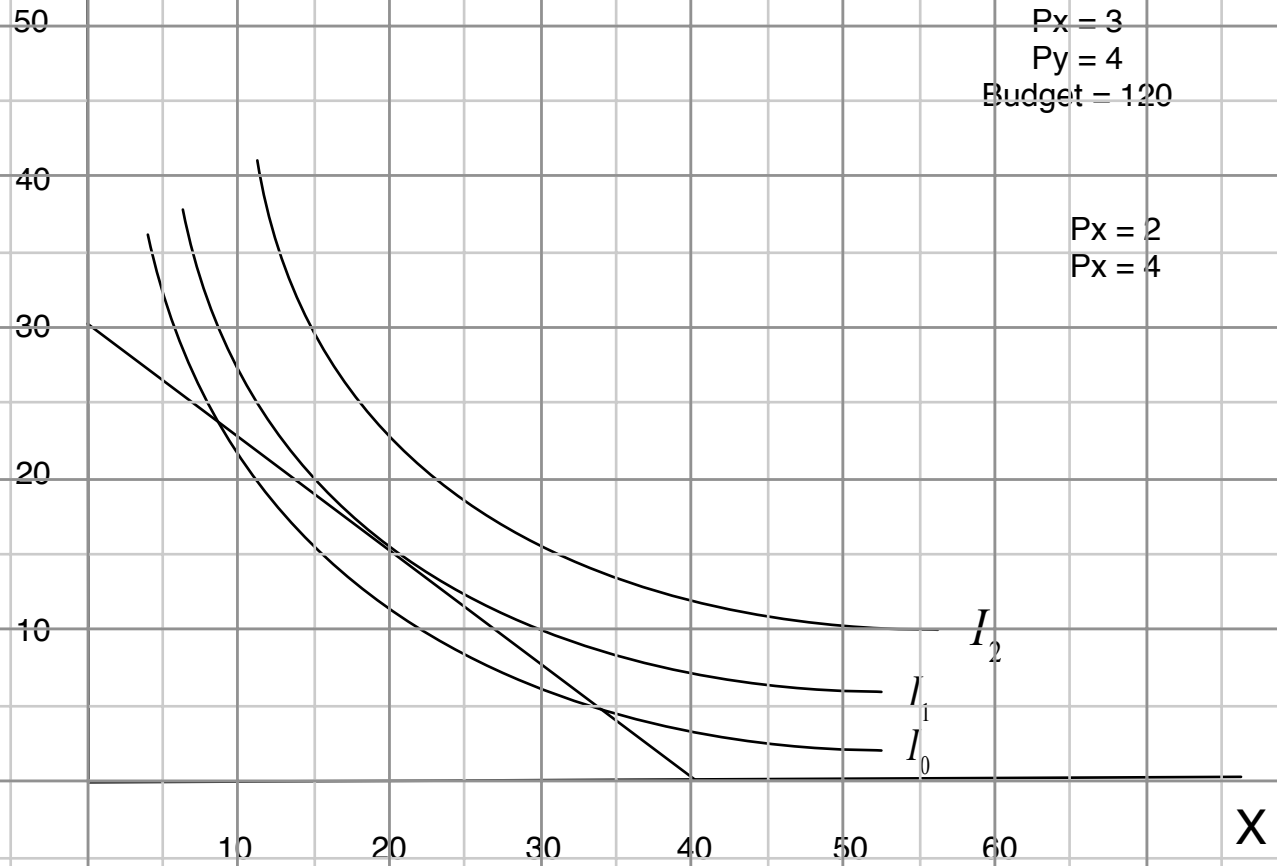
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Price Consumption Curve



Substitution and Income Effect when P_x changes

