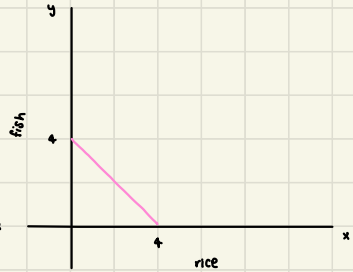
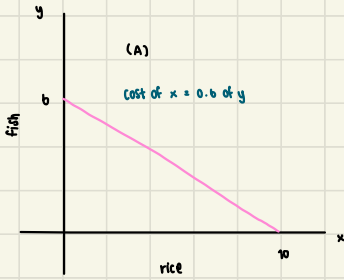


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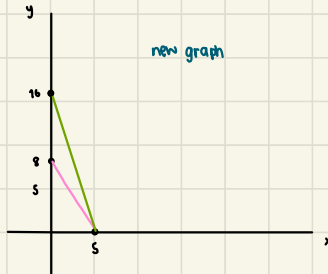
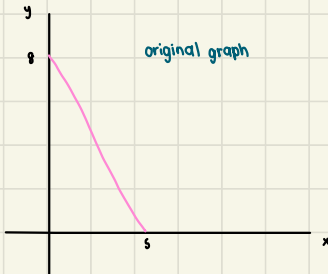
1. Farmer C combine these 3 farmers (A,B,C) and draw a PPC



new PPC



2. 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?

= the amount of x is increase
in every quantity of y since
it was doubled at all quantity
of y