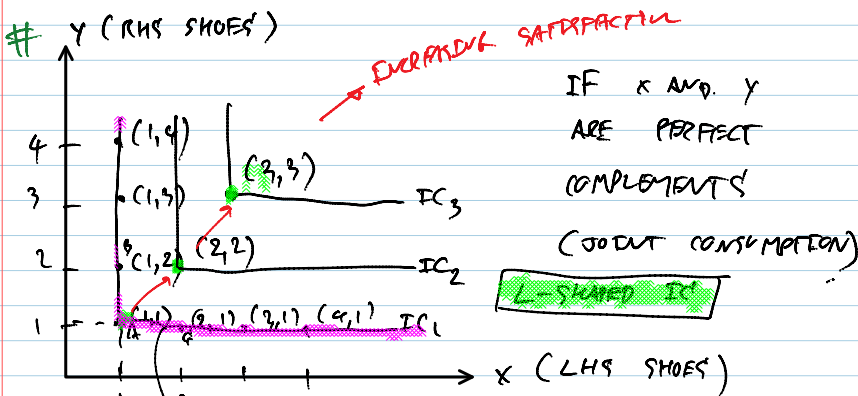
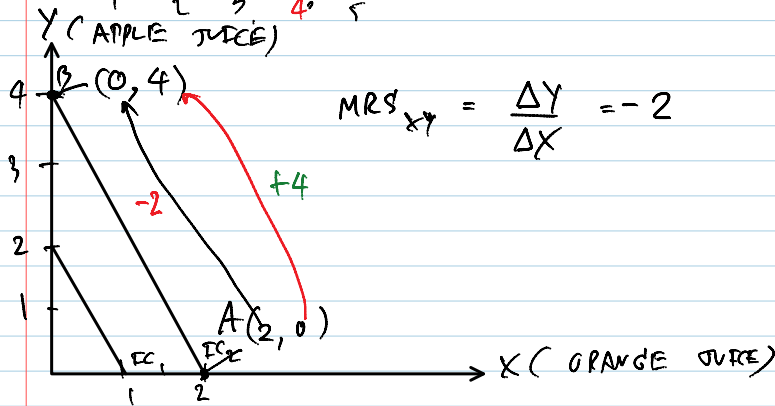
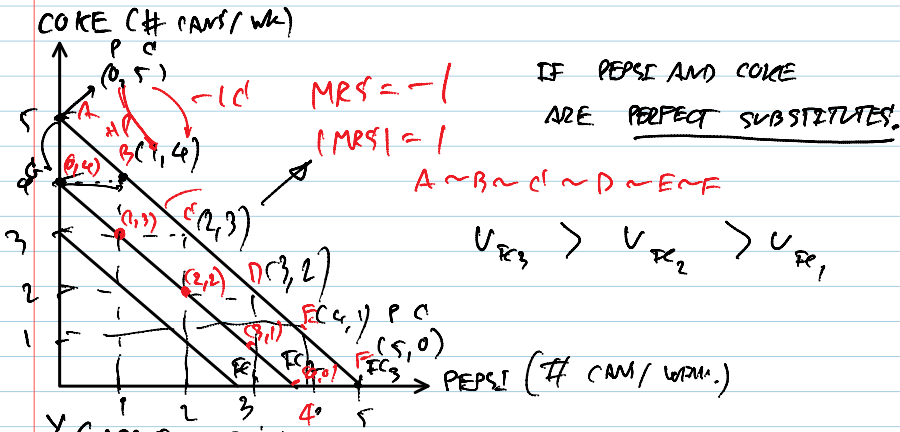
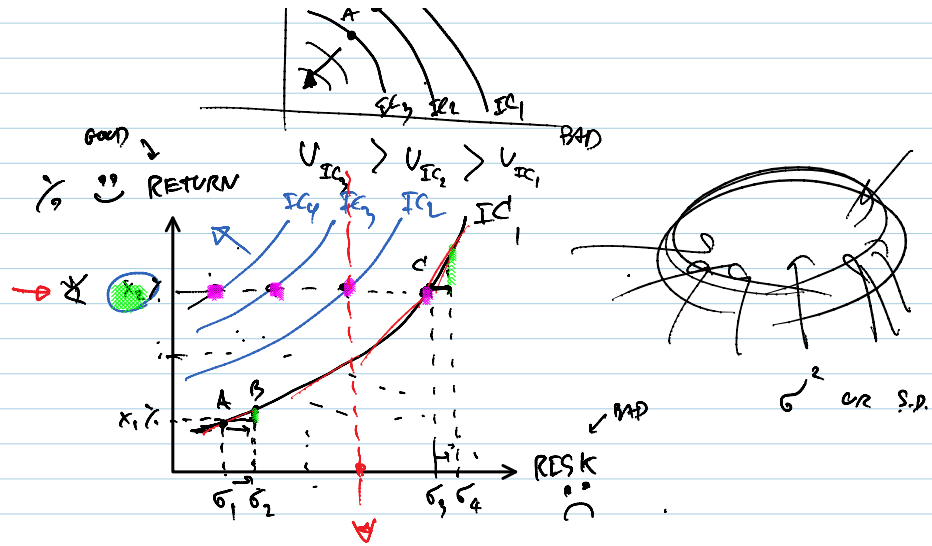


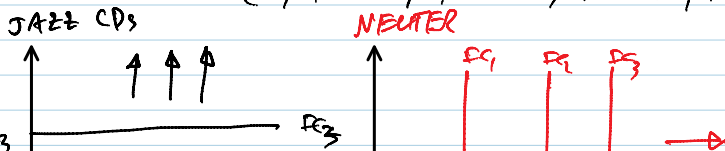
19.10.2012

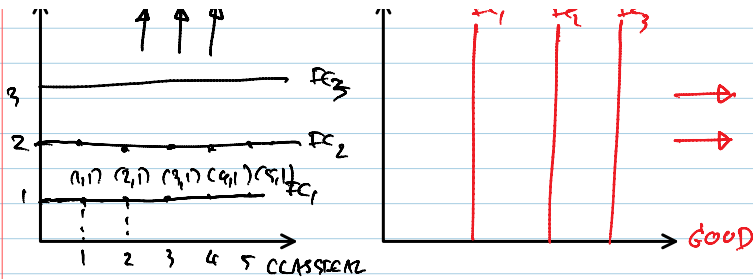


$(1,1) \sim (2,1) \sim (3,1) \sim (4,1)$

$(1,1) \sim (1,2) \sim (1,3) \sim (1,4)$

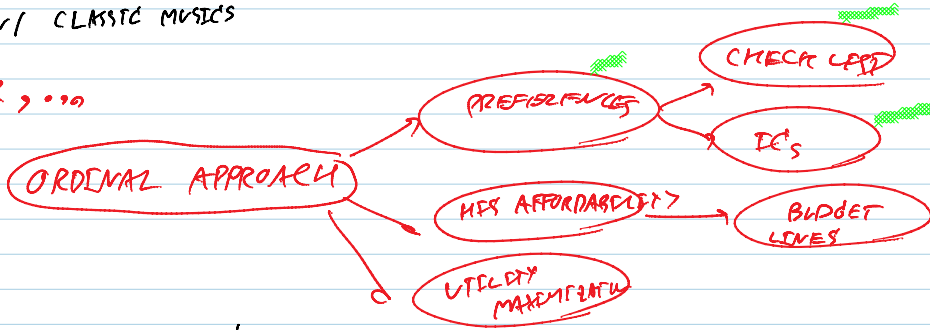
NEUTER





SUPPOSE HE LOVES JAZZ
BUT FEELS SO SO
W/ CLASSIC MUSICS

SO FAR, ...



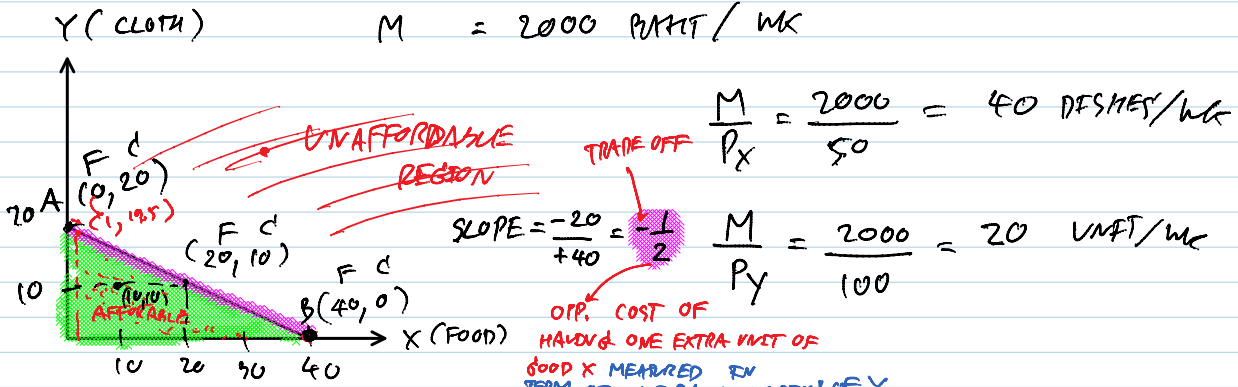
BUDGET LINES

CONSIDER TWO GOODS: (FOOD) X AND (CLOTH) Y

$P_{X(\text{FOOD})} = 50 \text{ PAHT / UNIT}$

$P_{Y(\text{CLOTH})} = 100 \text{ PAHT / UNIT}$

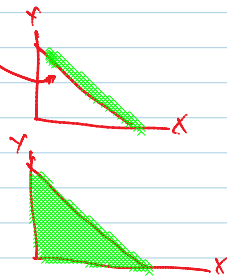
$M = 2000 \text{ PAHT / WK}$



LINE AB IS CALLED "A BUDGET LINE"
A COLLECTION OF ALL "AFFORDABLE" BASKETS"
IN WHICH MONEY IS SPENT UP. (NO MONEY LEFT

BUDGET LINE :
(AFFORDABLE CHOICES AND MONEY SPENT UP)

BUDGET SET :
(ALL AFFORDABLE CHOICES, DOES NOT MATTER IF MONEY IS SPENT UP OR NOT)



Q WHAT HAPPENS TO BL IF P_x INCREASES FROM 50 \rightarrow 100 PAHT?
(FOOD)