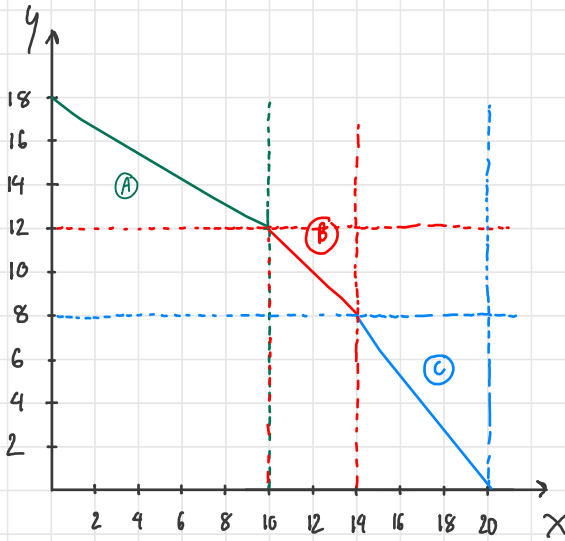
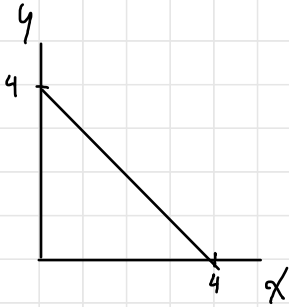
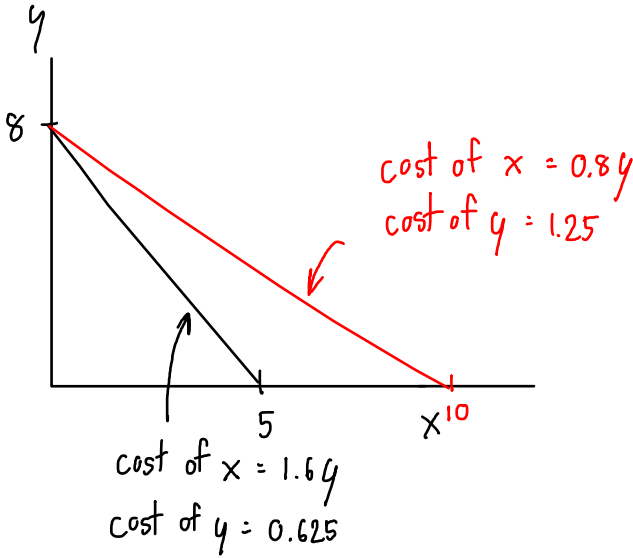


H.W. Farmer C

combine these 3 farmers
and draw the PPC



2) If the technology of producing x improve so much that the amount of x we can have double at all qualities of y . How will the PPC below change.



cost of x is higher?
- cost of x is lower.

cost of y is higher?
- cost of y is higher.

Ans. The new amount of x is steeper than the old amount of x