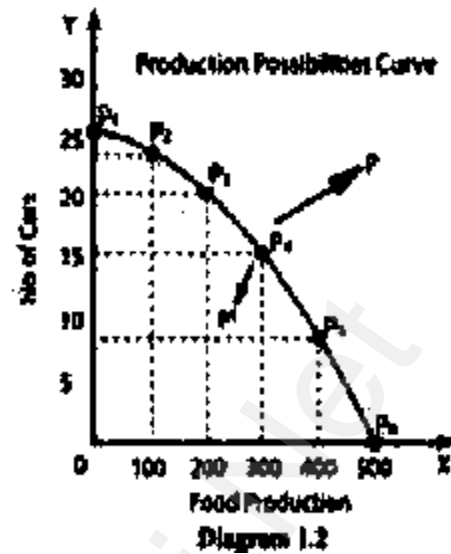


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Plus One Important Diagrams with Tables
Economics

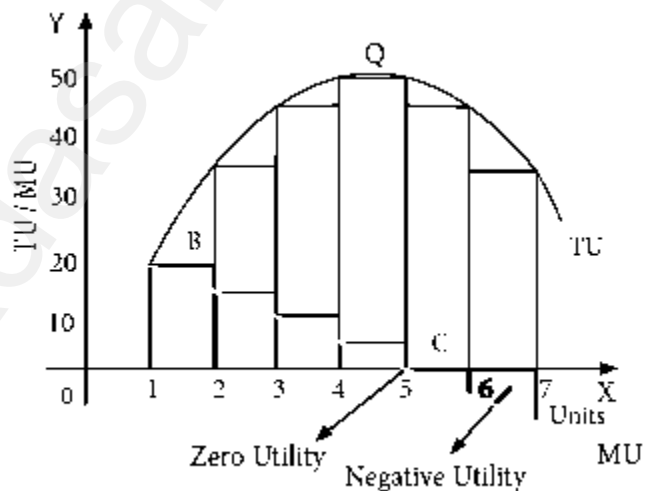
1. Production possibilities schedule

Production possibilities	Quantity of food production in tons	No of car production								
I	0	25								
II	100	23								
III	200 <td 20	IV	300	15	V	400	8	VI	500	0
IV	300	15								
V	400	8								
VI	500	0								



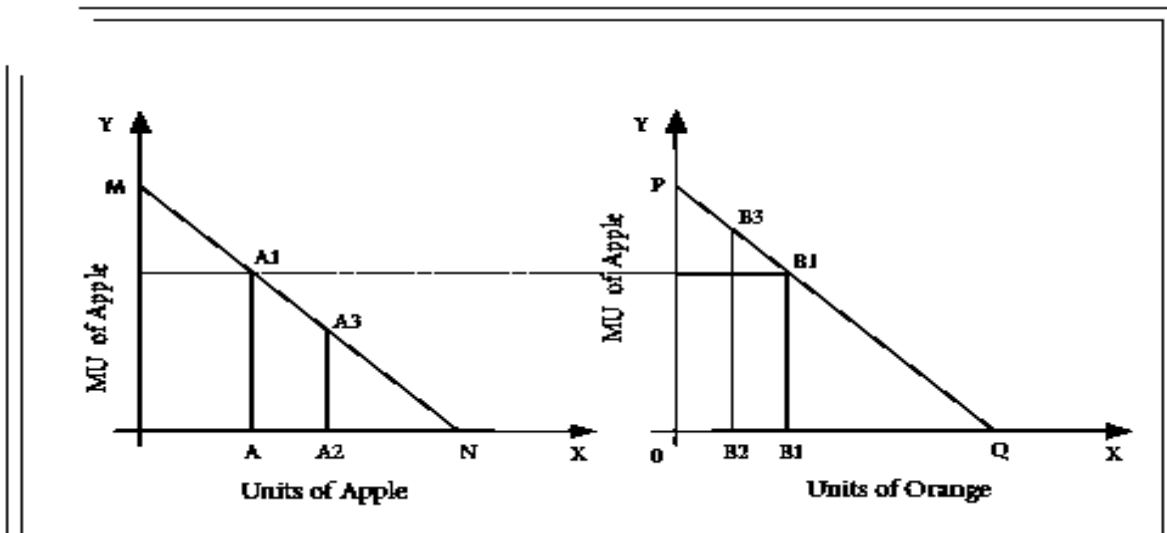
2. The Law of Diminishing Marginal Utility :

Units of Apple	Total Utility	Marginal Utility
1	20	20
2	35	15 (35-20)
3	45	10 (45-35)
4	50	5 (50-45)
5	50	0 (50-50)
6	45	-5 (45-50)
7	35	-10(35-45)



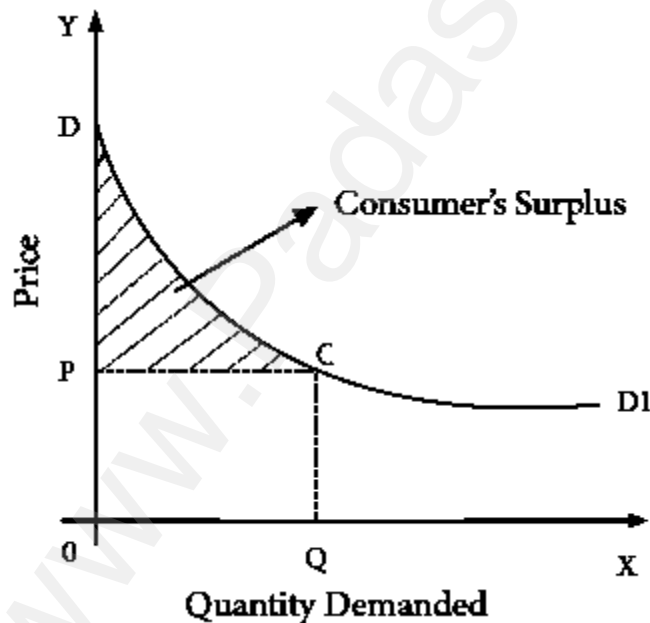
3. The Law of Equi-Marginal Utility

Units of Commodities	Apple	Orange		
	Total Utility	Marginal Utility	Total Utility	Marginal Utility
1.	25	25	30	30
2.	45	20	41	11
3.	63	18	49	8
4.	78	15	54	5
5.	88	10	58	4
6.	92	4	61	3



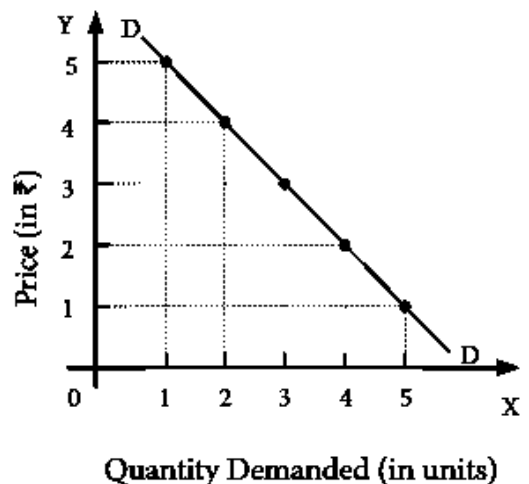
4. Consumer's Surplus

Units of commodity (Apple)	Willingness to pay or Potential Price (Marginal Utility)	Actual Price	Consumer's Surplus = Potential Price - Actual Price
1	6	2	6 - 2 = 4
2	5	2	5 - 2 = 3
3	4	2	4 - 2 = 2
4	3	2	3 - 2 = 1
5	2	2	2 - 2 = 0
Total	20	10	10



5. Law of Demand :

Price	Quantity Demanded
5	1
4	2
3	3
2	4
1	5



6. Extension and Contraction of Demand :

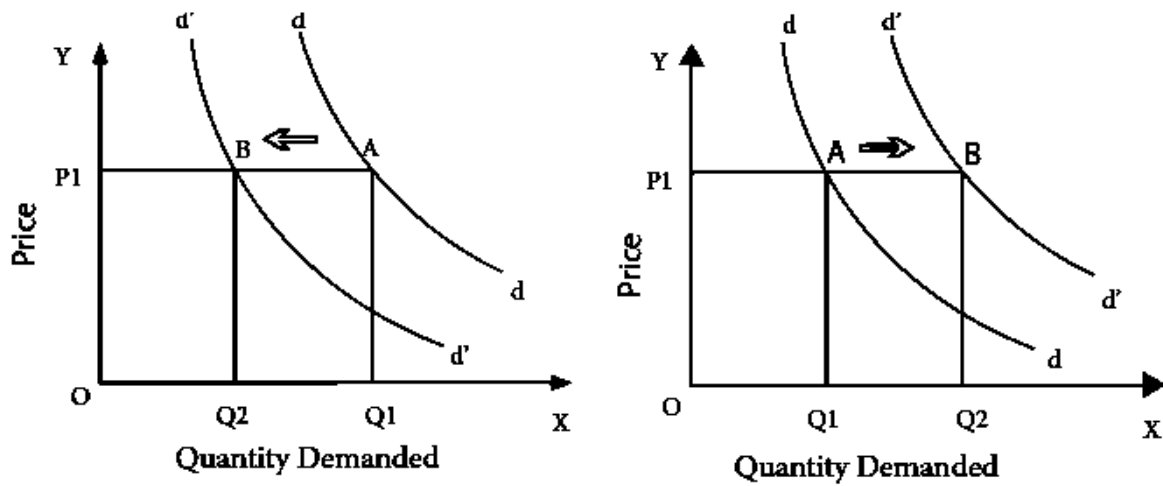
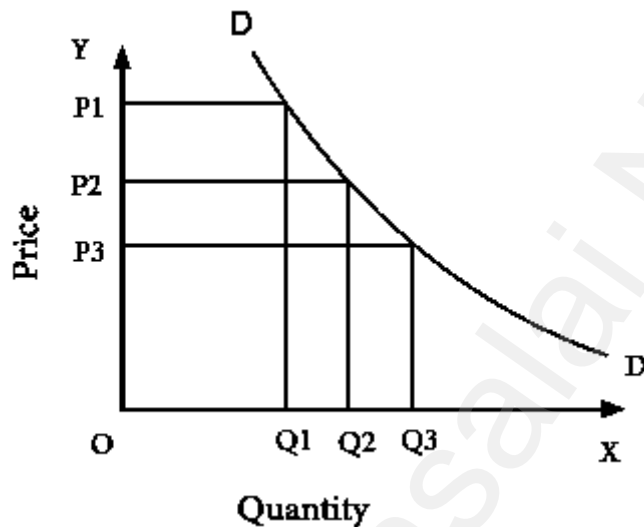
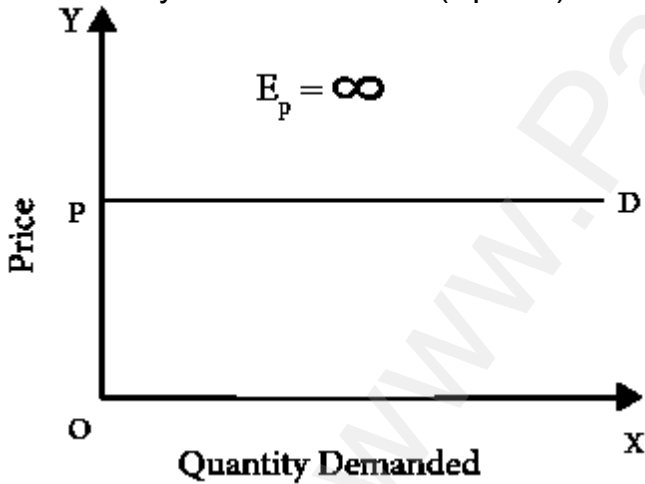


Diagram 2.8

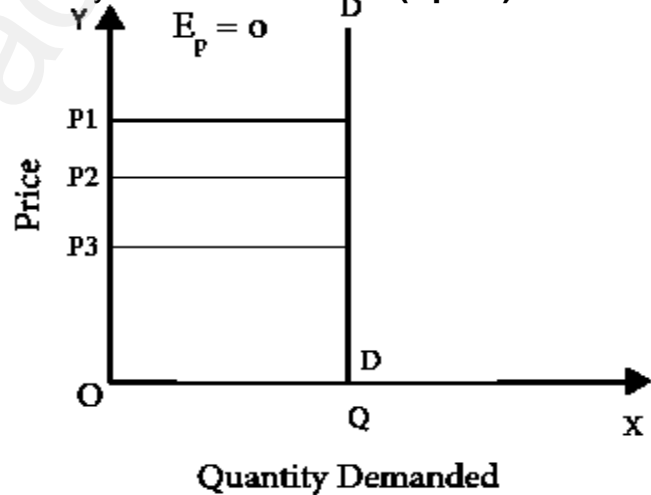


7. Levels or Degrees of Price Elasticity of Demand :

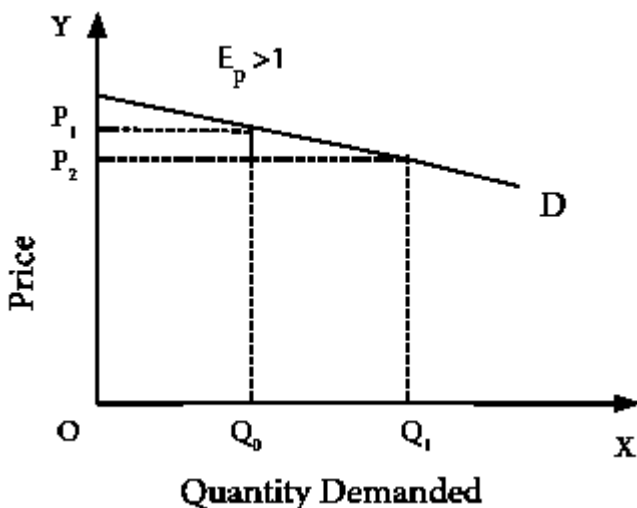
Perfectly Elastic Demand ($E_p = \infty$):



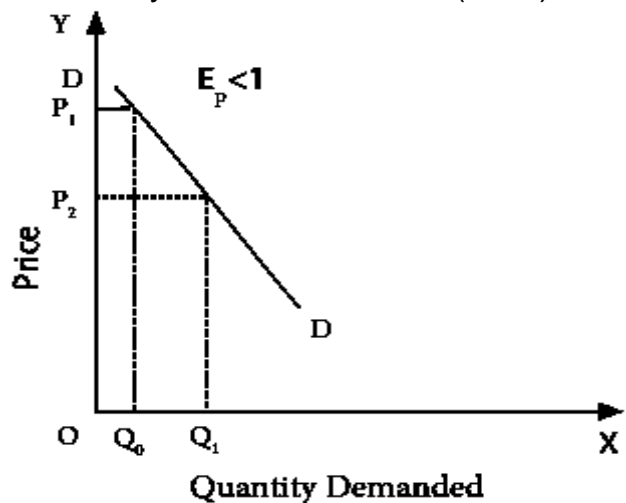
Perfectly Inelastic Demand ($E_p = 0$):



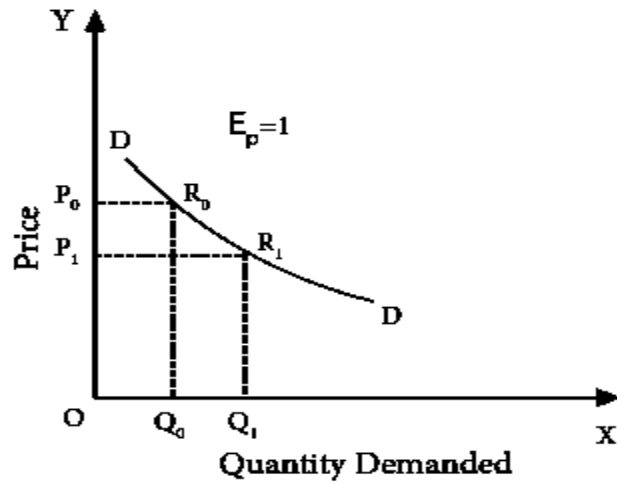
Relatively Elastic Demand ($E_p > 1$):



Relatively Inelastic Demand ($E_p < 1$):

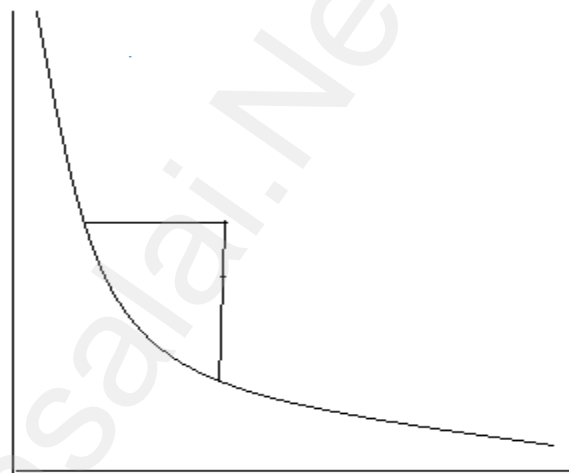
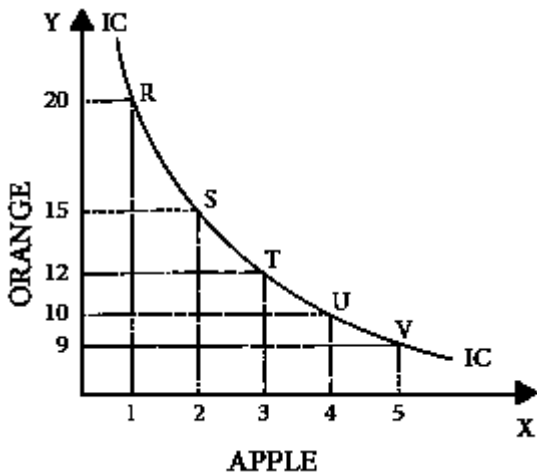


Unitary Elastic Demand
($E_p = 1$): The demand is unitary



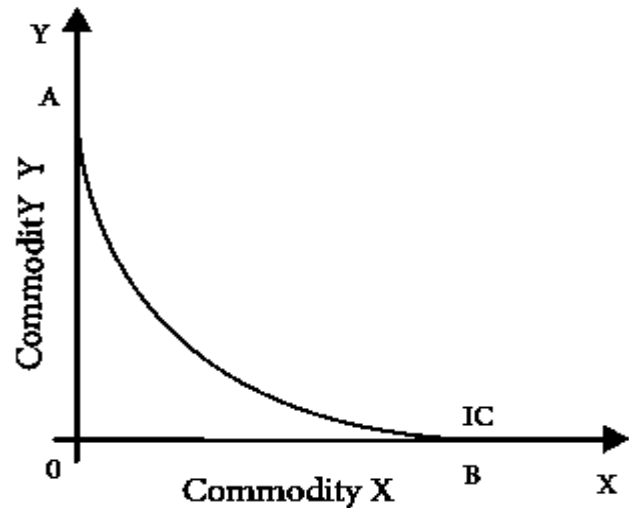
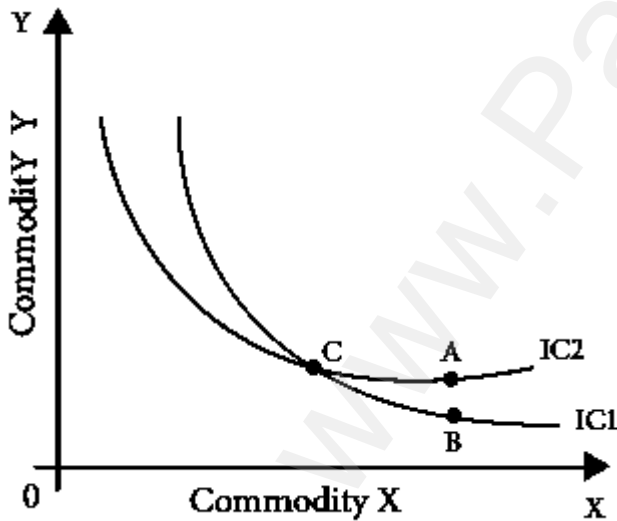
8. Indifference curve must have negative slope,

Indifference Curves are convex to the origin :

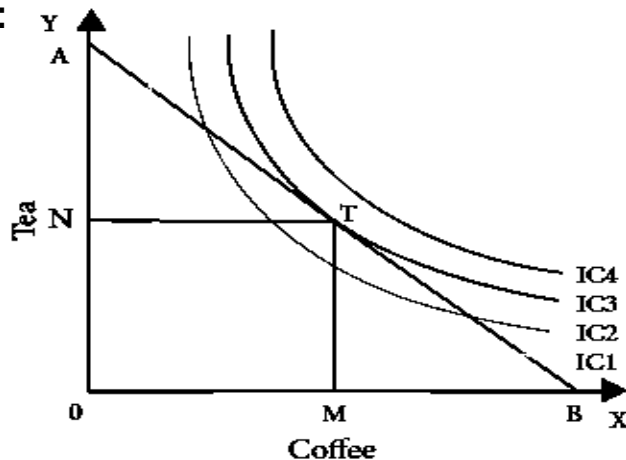


Indifference curve cannot intersect

Indifference curves do not touch the horizontal or vertical axis.

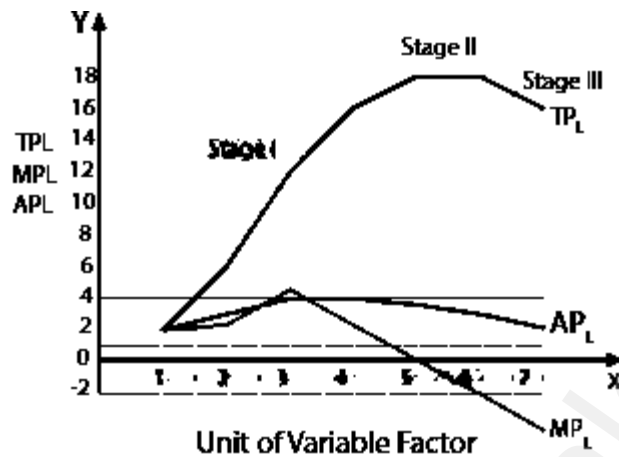


9. Consumer Equilibrium:



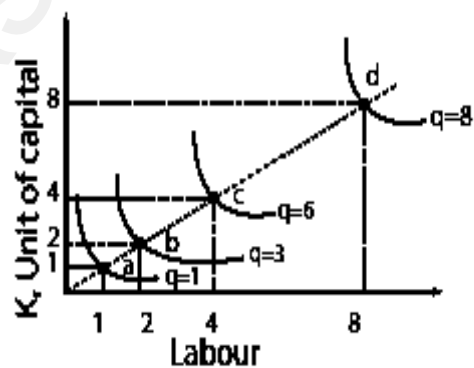
10. Law of Variable Proportions:

Units of variable factor (L)	Total Product (TP _L)	Marginal Product (MP _L)	Average Product (AP _L)	Stages
1	2	2	2	I
2	6	4	3	
3	12	6	4	
4	16	4	4	II
5	18	2	3.6	
6	18	0	3	III
7	16	-2	2.28	



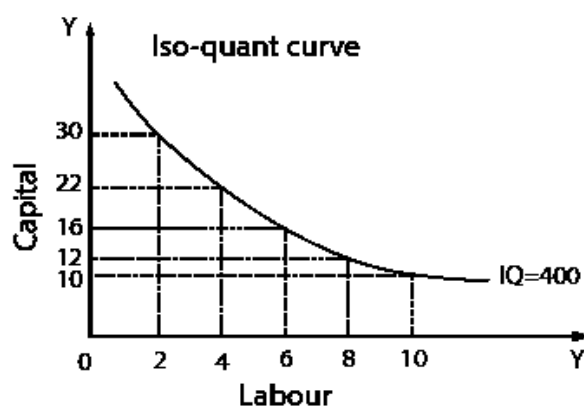
11. Laws Of Returns To Scale

Stages	Input	Output	Returns to Scale
a to b	100% ↑	200% ↑	Increasing
b to c	100% ↑	100% ↑	Constant
c to d	100% ↑	33.33% ↑	Decreasing



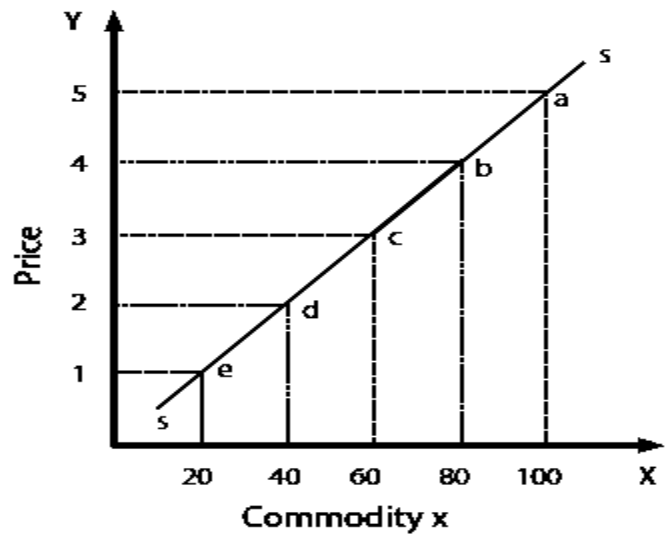
12. ISO -Quant Curve :

Combination	Units of Labour	Units of Capital	Output of Cloth (meters)
A	2	30	400
B	4	22	400
C	6	16	400
D	8	12	400
E	10	10	400

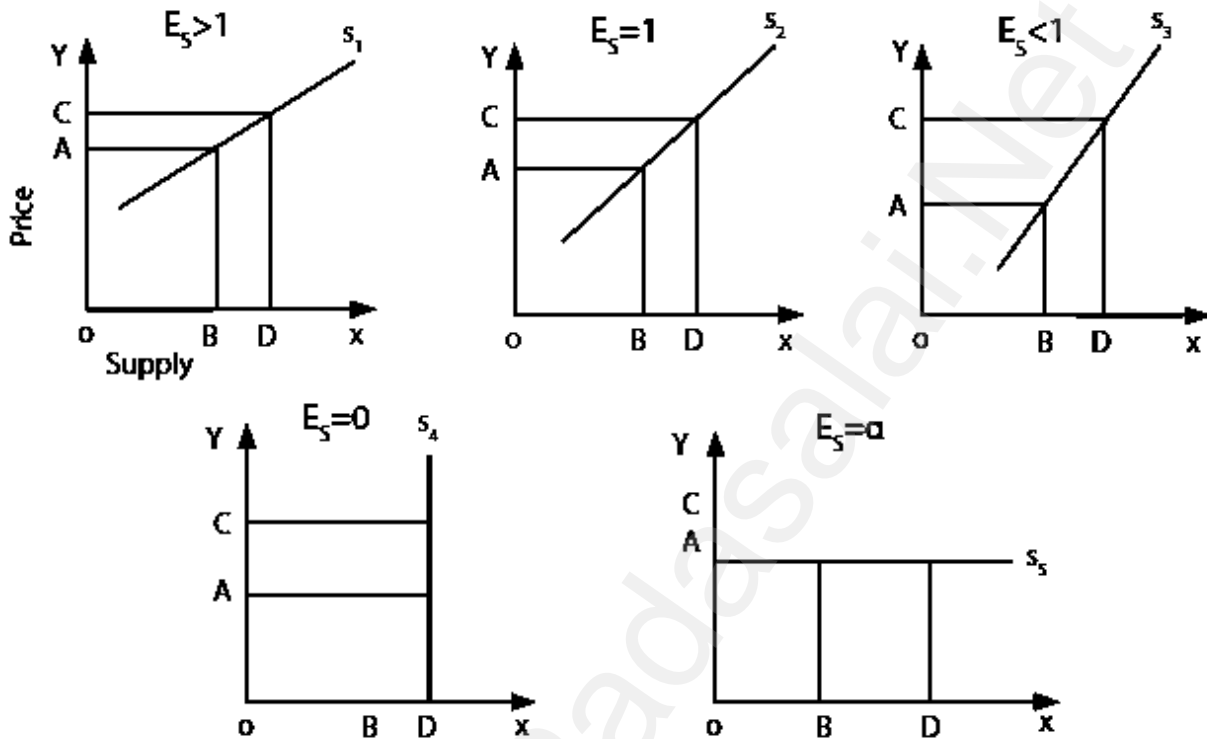


13. Law of Supply :

Price (P)	Supply (Q _s)
1	20
2	40
3	60
4	80
5	100

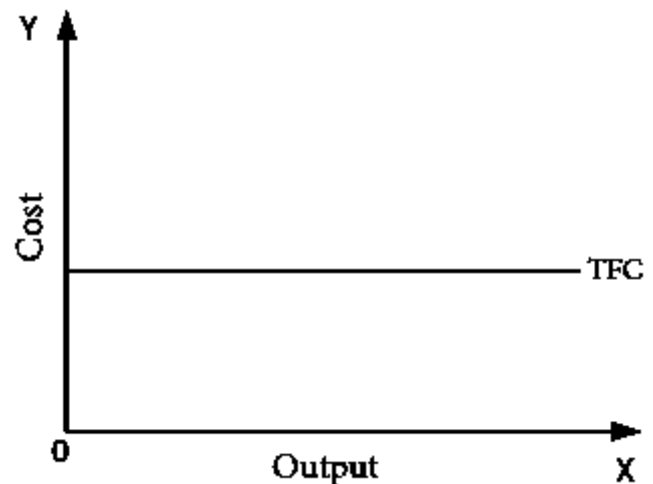


14. Types of Elasticity of Supply :



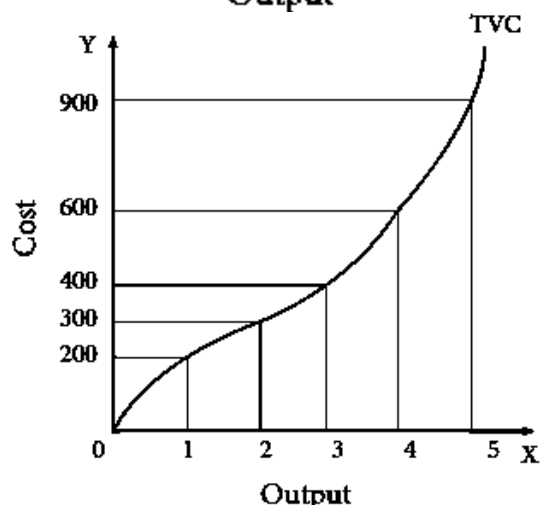
15. Total Fixed Cost (TFC)

Output (in unit)	Total Fixed Cost (in ₹)
0	1000
1	1000
2	1000
3	1000
4	1000
5	1000



16. Table 4.2 Total Variable Cost

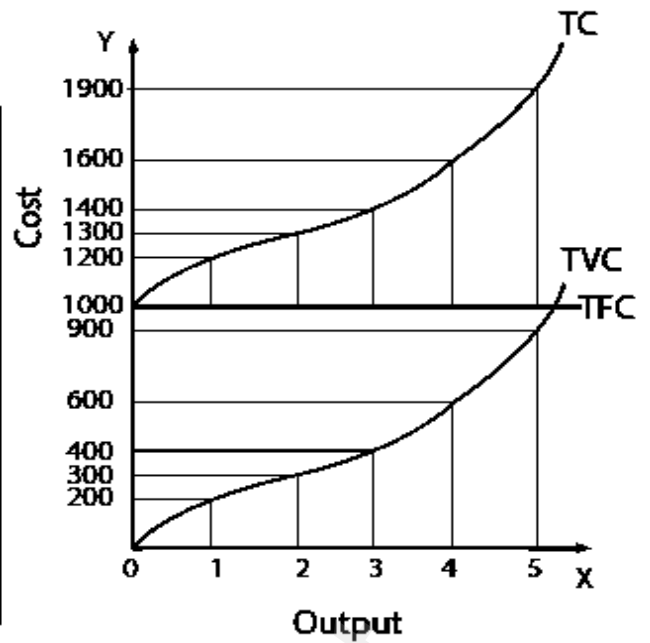
Output (in unit)	Total Variable Cost (in ₹)
0	0
1	200
2	300
3	400
4	600
5	900



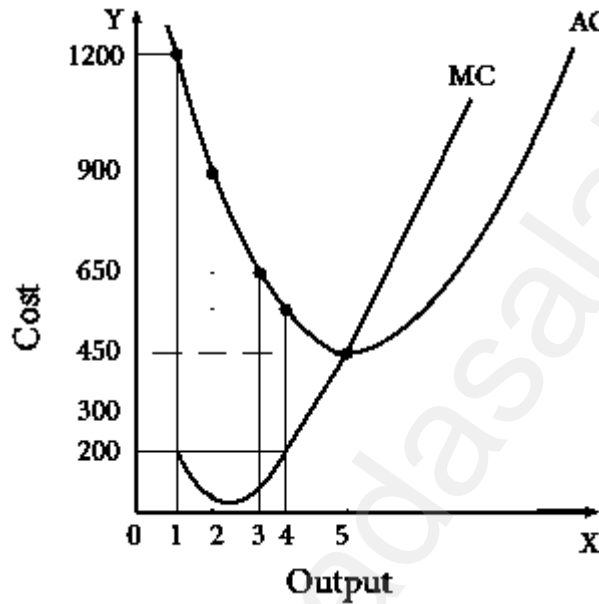
17.

Total Cost Curves

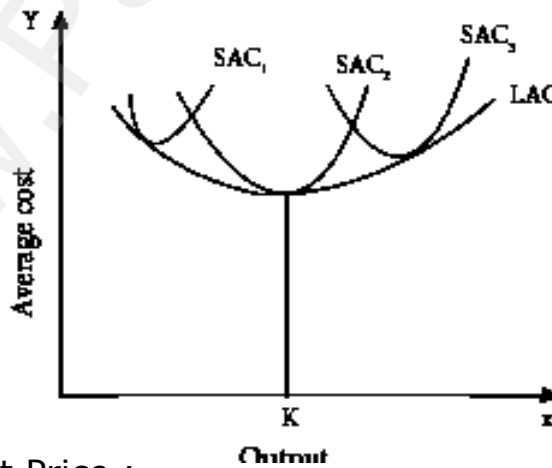
Output (in unit)	Total Fixed Cost (TFC) (in ₹)	Total Variable Cost (TVC) (in ₹)	Total Cost (TC) TFC+TVC (in ₹)
0	1000	0	1000
1	1000	200	1200
2	1000	300	1300
3	1000	400	1400
4	1000	600	1600
5	1000	900	1900



18. The relationship between Average Cost and Marginal cost :

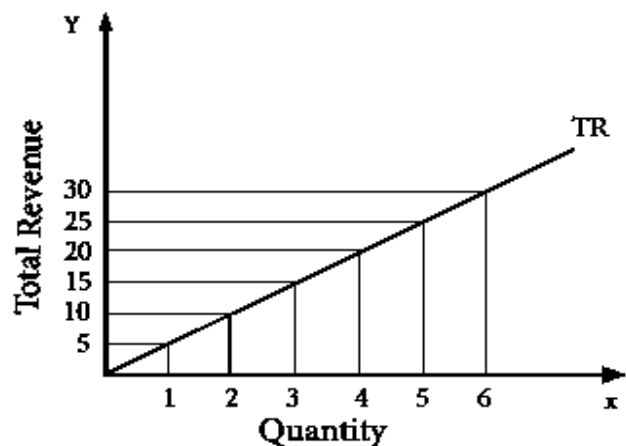


19. Long Run Cost Curve:



20. Total Revenue - Constant Price :

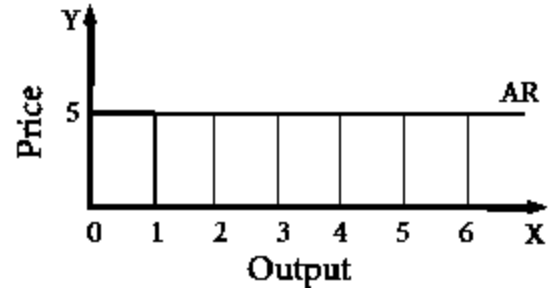
Quantity sold (Q)	Price (P)	Total Revenue (TR)
1	5	5
2	5	10
3	5	15
4	5	20
5	5	25
6	5	30



21. Constant AR and MR (at Fixed Price) :

TR, AR, MR - Constant price

Quantity Sold (Q)	Price (P) ₹	Total Revenue (TR) ₹	Average Revenue (AR) ₹	Marginal Revenue (MR) ₹
1	5	5	5	5
2	5	10	5	5
3	5	15	5	5
4	5	20	5	5
5	5	25	5	5
6	5	30	5	5



22. AR, TR, MR at declining price

Quantity Sold (Q)	Price (P)/ Average Revenue (AR) ₹	Total Revenue (TR) ₹	Marginal Revenue (MR) ₹
1	10	10	-
2	9	18	8
3	8	24	6
4	7	28	4
5	6	30	2
6	5	30	0
7	4	28	-2
8	3	24	-4
9	2	18	-6
10	1	10	-8

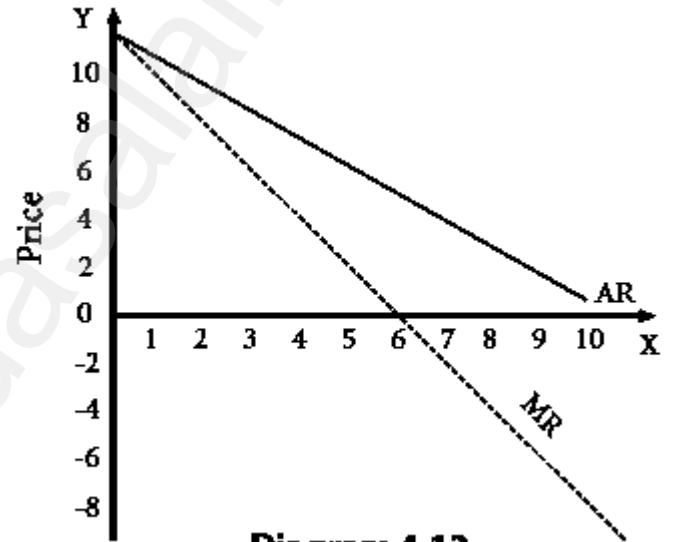
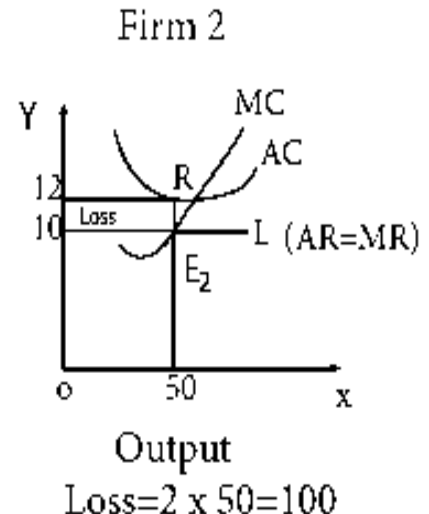
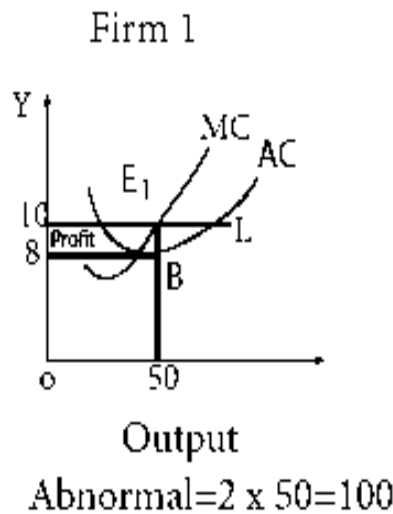
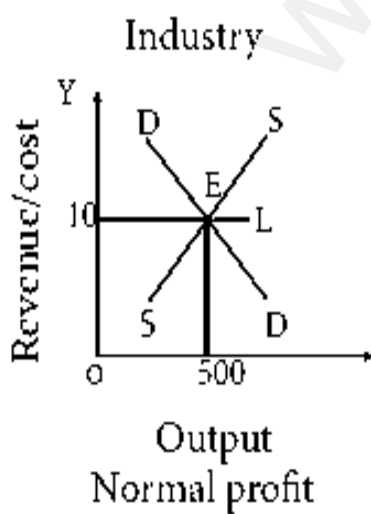
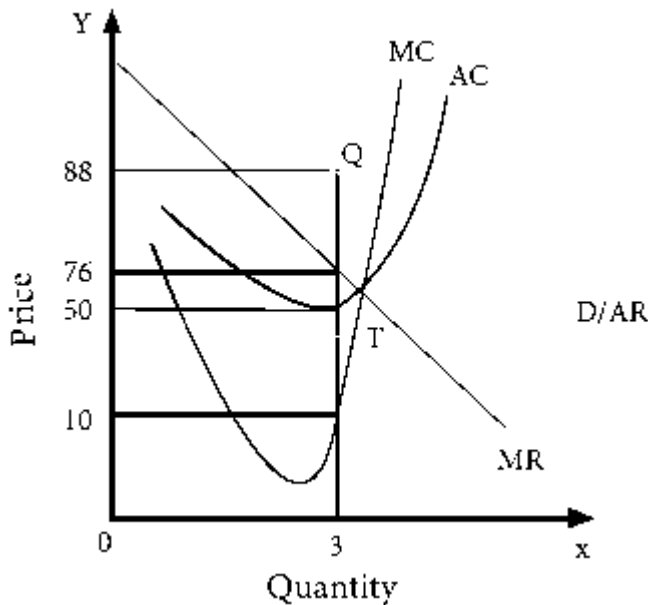


Diagram 4.13

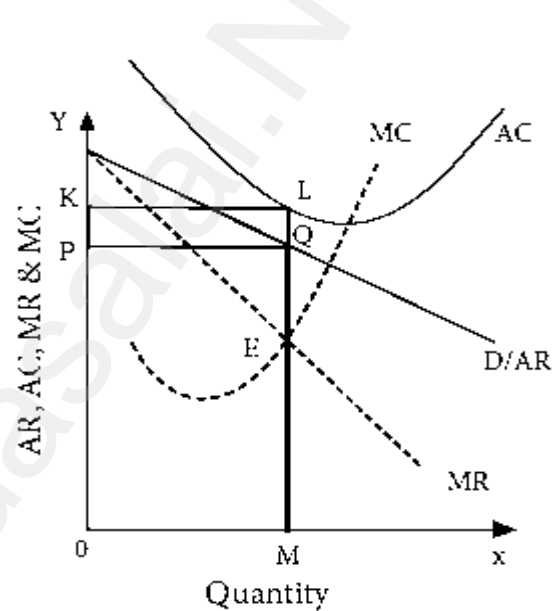
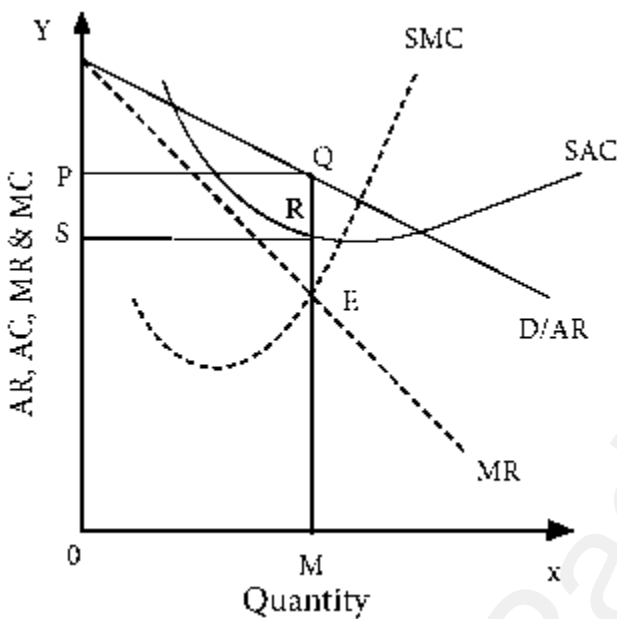
23. Price & Output Determination-Perfect Competition during Short Run :



24. Price & Output Determination Under Monopoly :

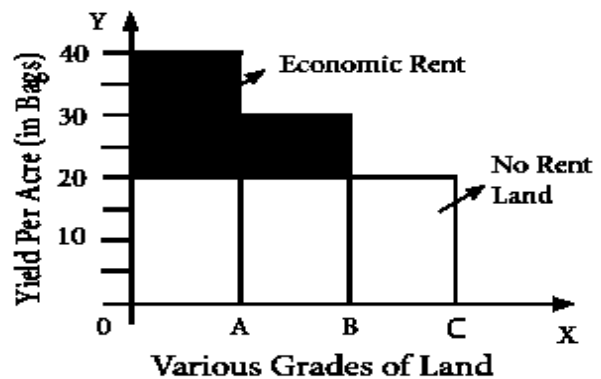


25. Price and Output Determination under Monopolistic Competition:

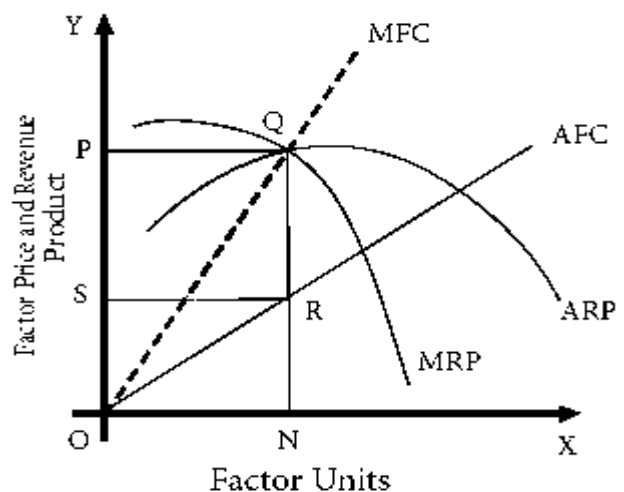
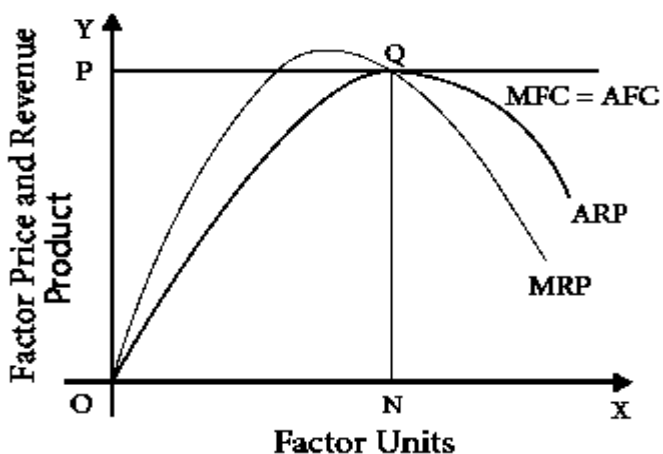


26. Ricardian Theory of Rent :

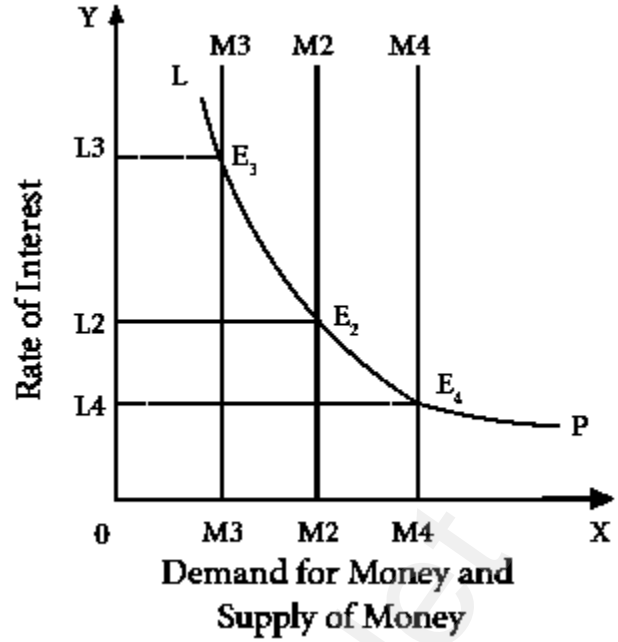
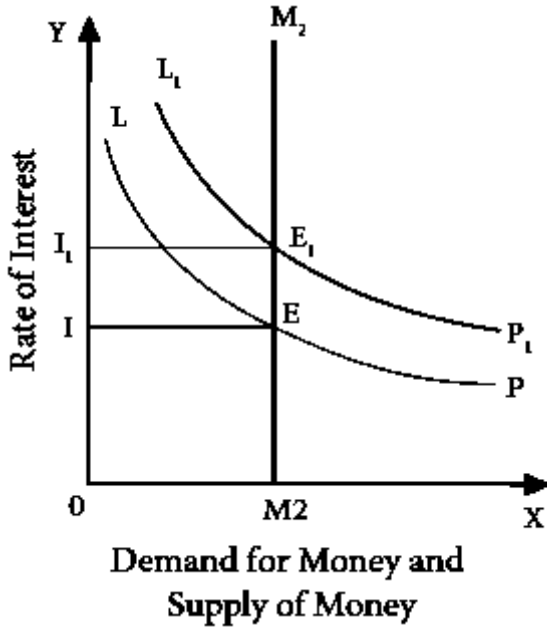
Grades of Lands	Production (in bags)	Surplus (i.e., Rent in bags)
A	40	40-20=20
B	30	30-20= 10
C	20	20-20= 0



27. Marginal Productivity under Perfect Competition and Imperfect Competition :



28. Equilibrium between Demand and Supply of Money :



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