K.G.S. Matric. Hr. Sec. School

TIRUPUR

+1 ECONOMICS

Diagrams & Table

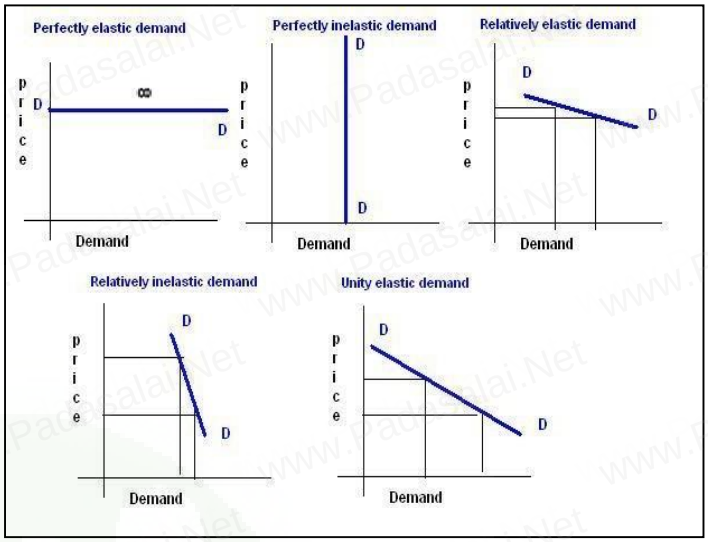
The purpose of studying economics
is not to acquire a set of ready – made
answers to economic questions, but
to learn how to avoid being
deceived by economists.

NAME: _____

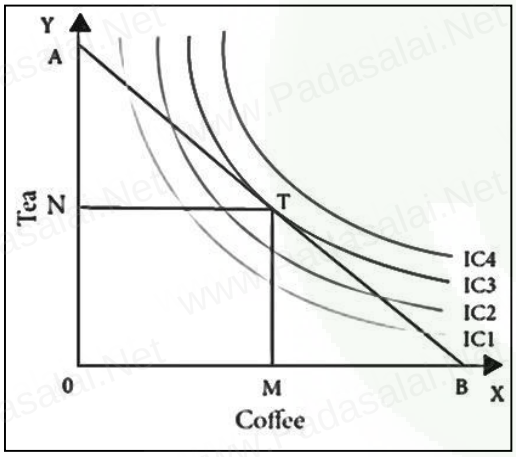
CLASS & SECTION: _____

Degrees Of Price Elasticity Of Demand

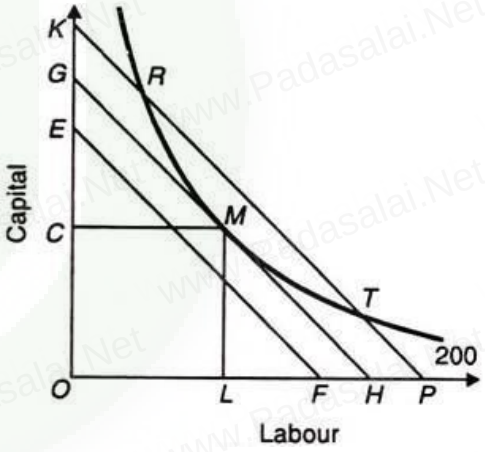
1. Perfectly Elastic Demand (Ep = ∞)
2. Perfectly Inelastic Demand (Ep =0)
3. Relatively Elastic Demand (Ep>1)
4. Relatively Inelastic Demand (Ep<1)
5. Unitary Elastic Demand (Ep =1)



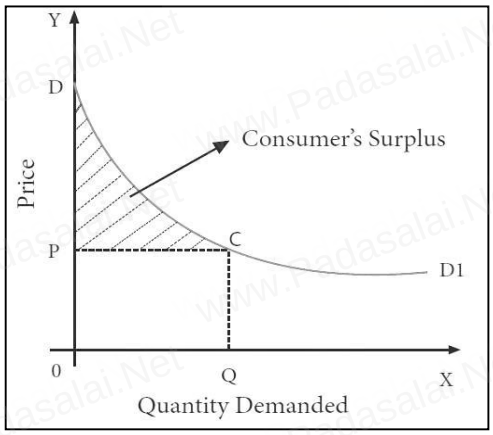
Consumer's Equilibrium



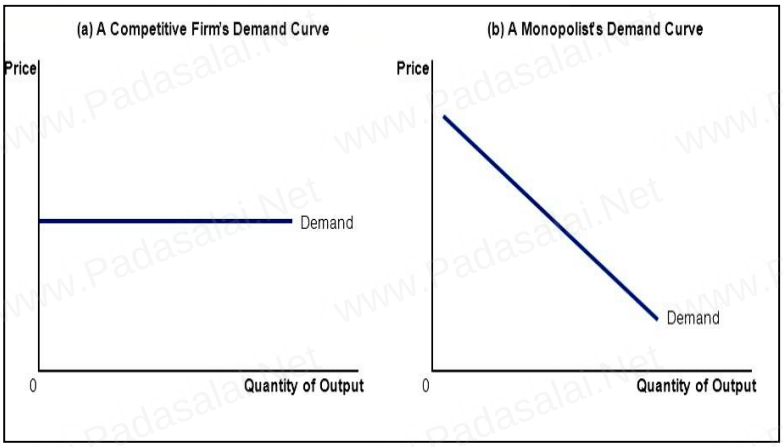
Producer's Equilibrium



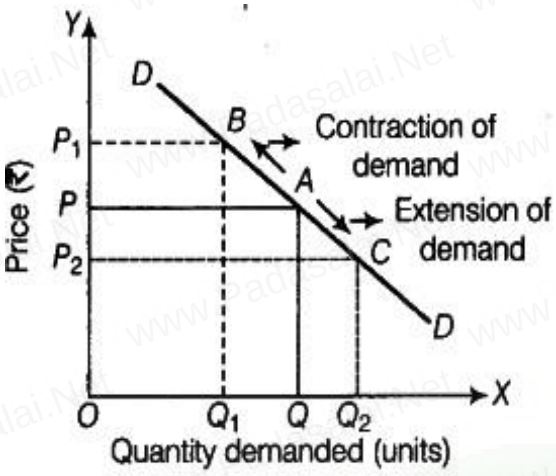
Consumer's Surplus



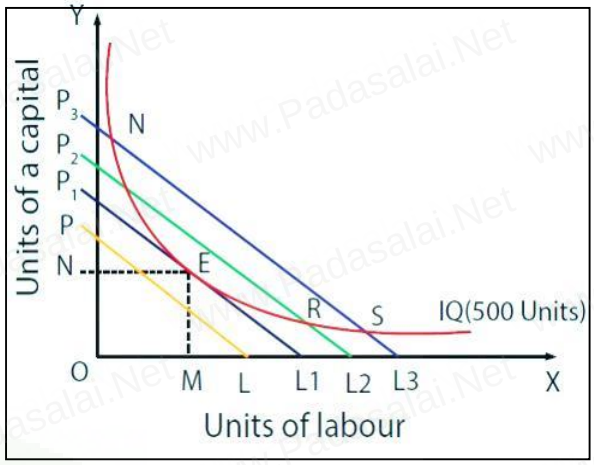
a) Perfect Competition b) Monopoly



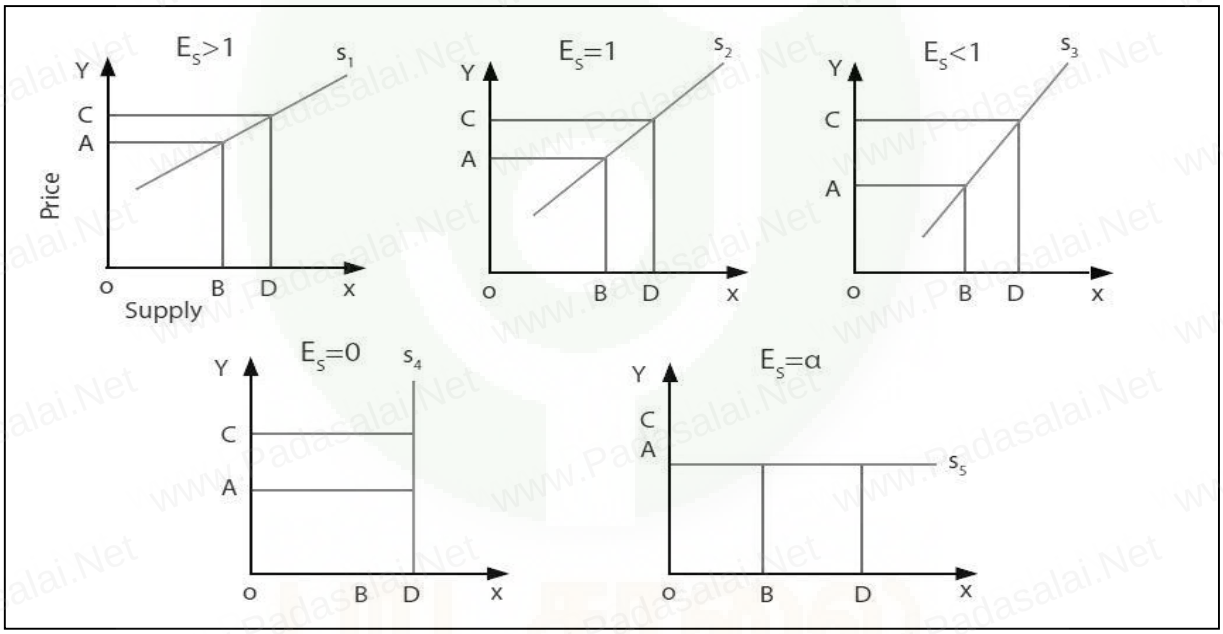
Extension And Contraction Of Demand



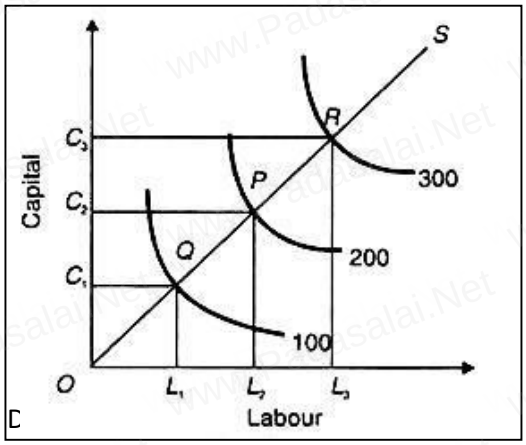
Producer's Equilibrium



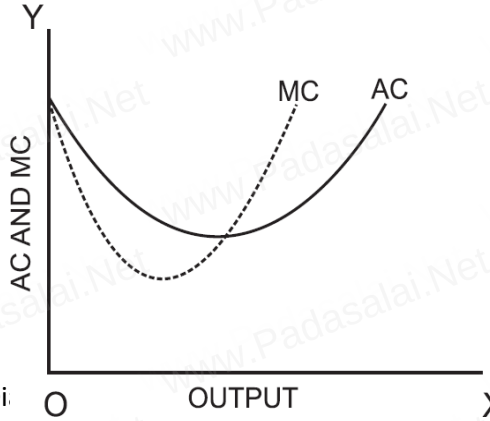
Elasticity Of Supply



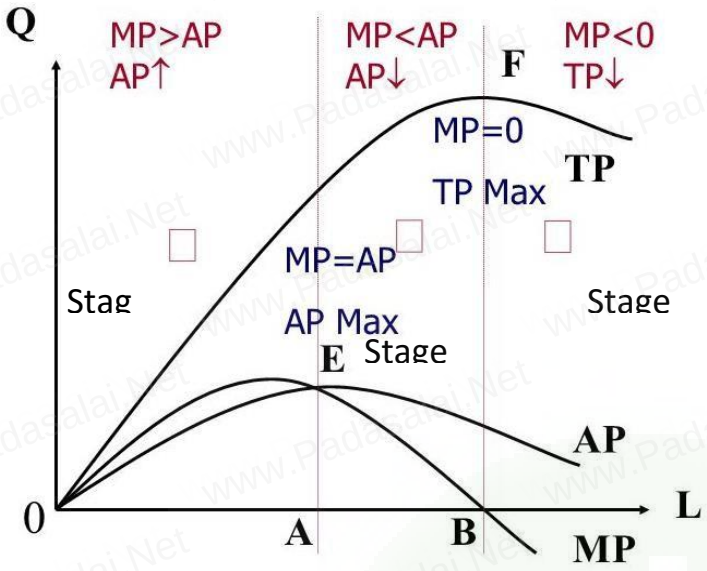
Cobb-Douglas Production Function



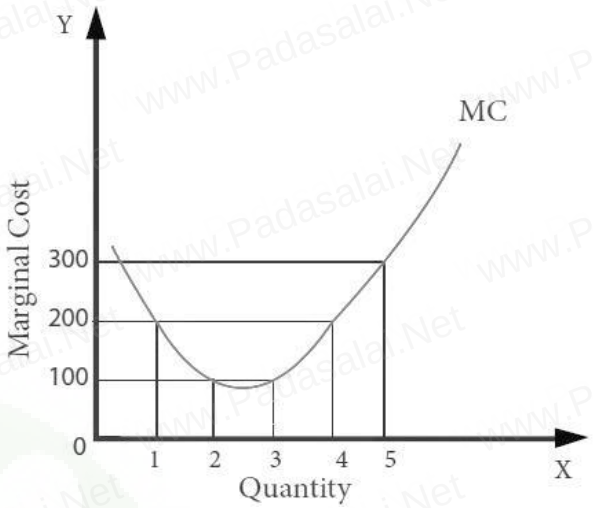
Relationship between AC & MC



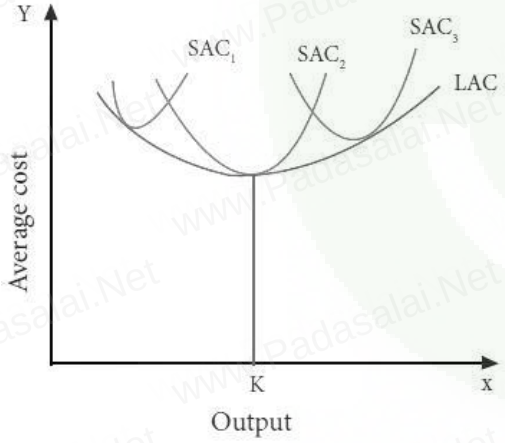
Total, Average and Marginal Products



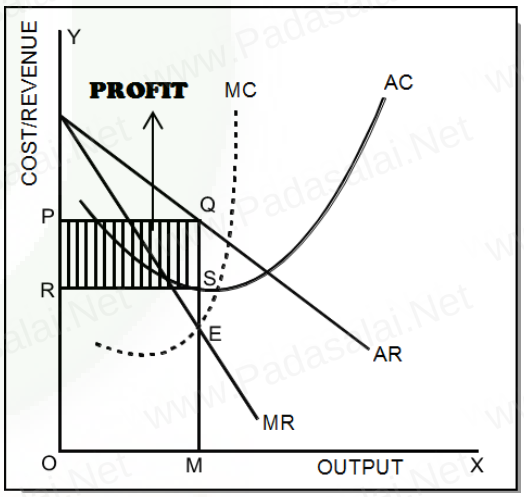
Marginal Revenue



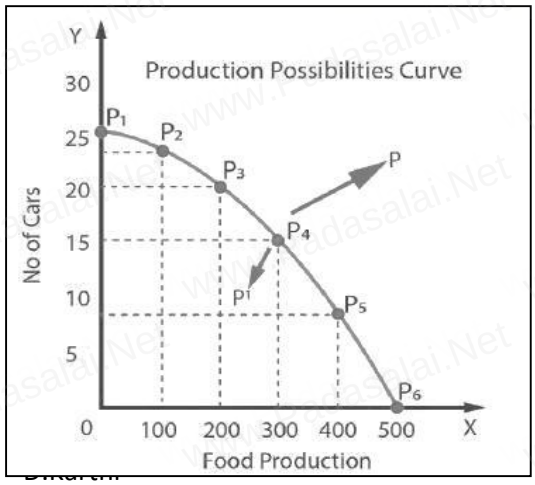
Long run cost curves



Price & Output Determination Under Monopoly



Production Possibility Curve

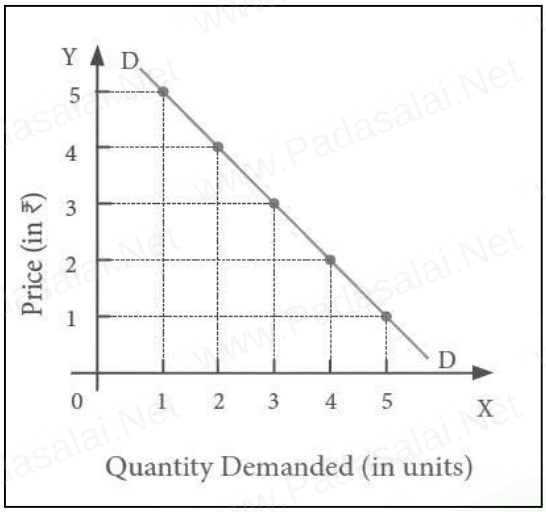


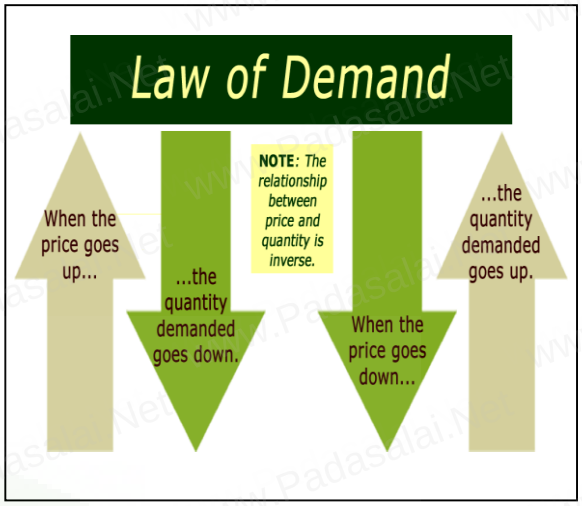
Production possibilities schedule

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

+1 Diagrams 9843247631

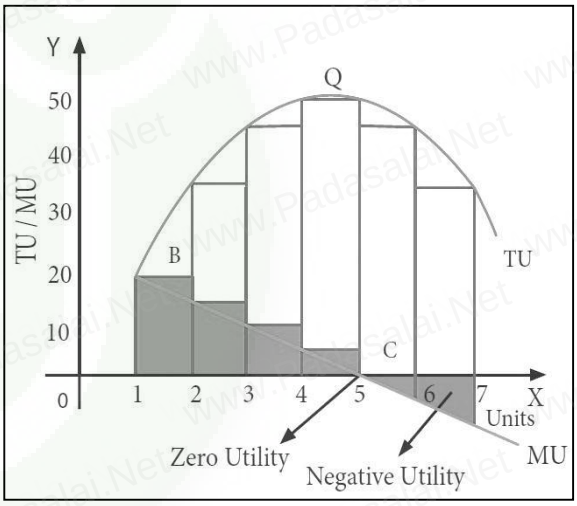
Law of Demand





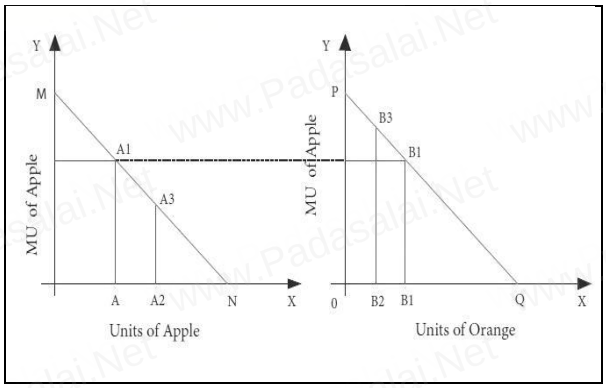
Law of Diminishing Marginal Utility

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)



Law Of Equi-Marginal Utility

Units of Commo -dities	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



Total Outlay Method

Price	Quantity Demanded	Total Outlay	Elasticity
150	3	450	e > 1
125	4	500	e = 1
100	5	500	e < 1
75	6	450	

Point or Geometrical Elasticity

$$\text{Point Elasticity} = \frac{\text{Lower segment of the demand curve below the given point}}{\text{Upper segment of the demand curve above the given point}}$$

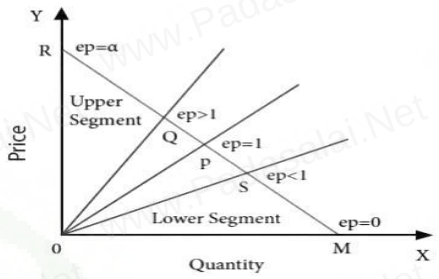
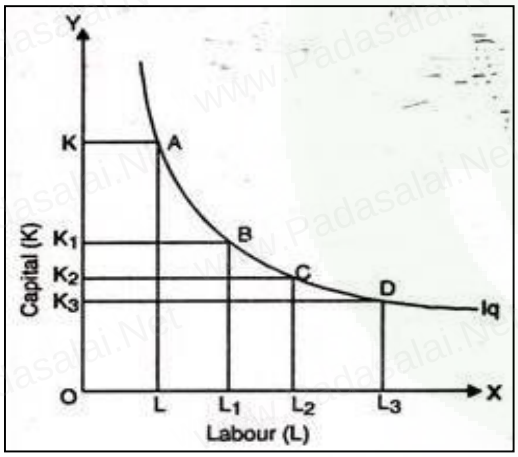
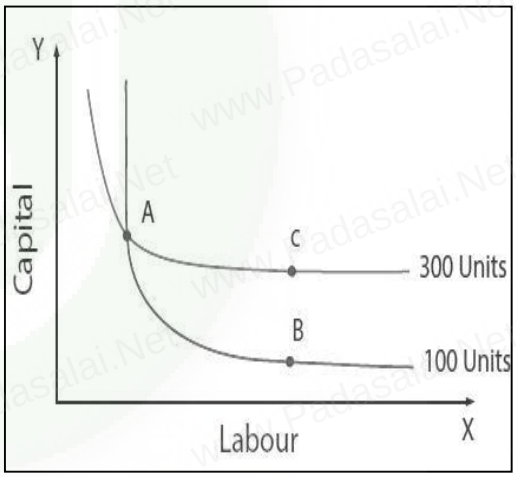
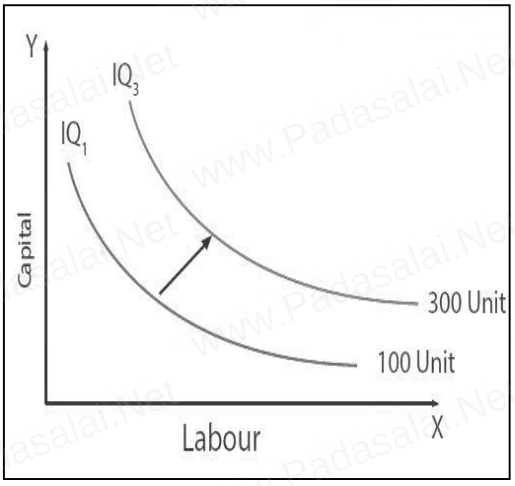


Diagram 2.14

Properties of Iso-quant Curve







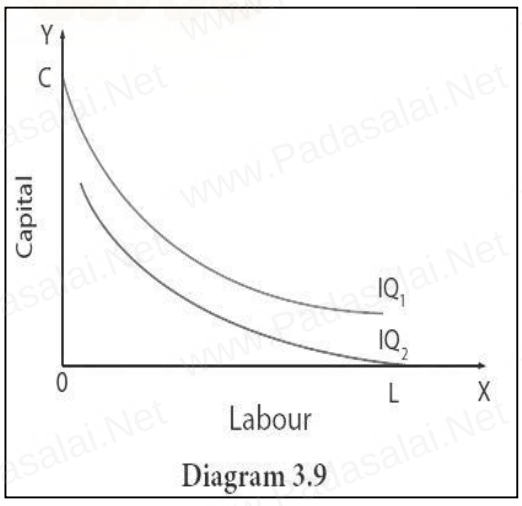
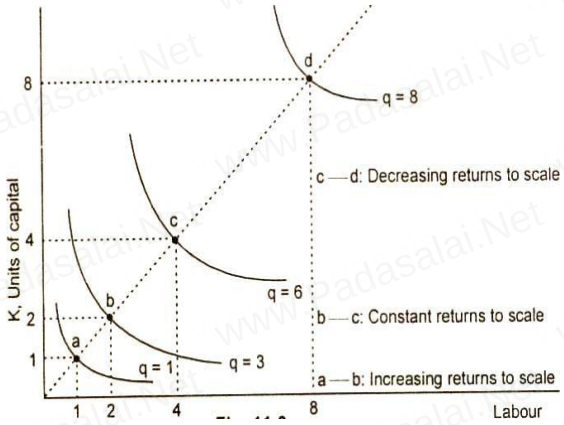


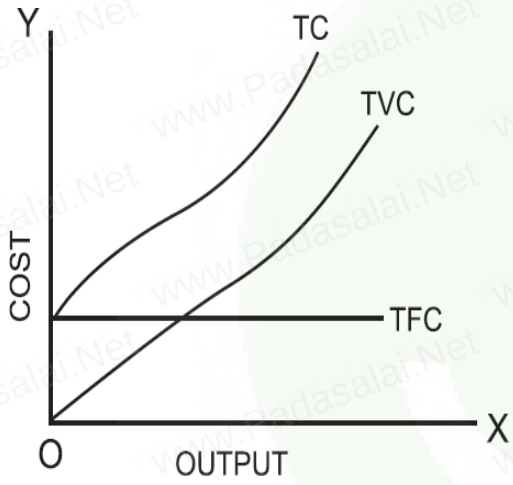
Diagram 3.9

Laws of Returns to Scale

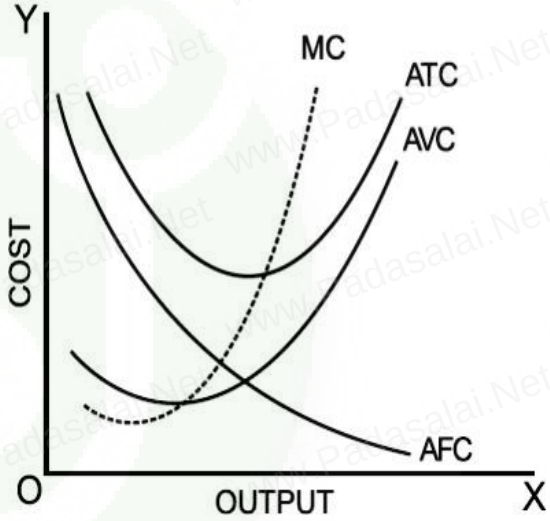


Stages	Input	Output	Returns to Scale
a to b	100% ↑	200% ↑	Increasing
b to c	100% ↑	100% ↑	Constant
c to d	100% ↑	33.33% ↑	Decreasing

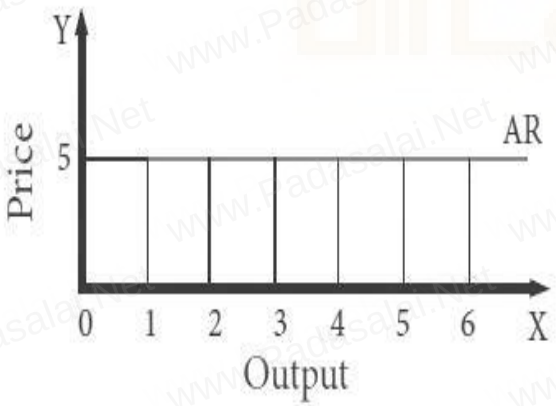
Total Cost Curves



Short run average cost curves



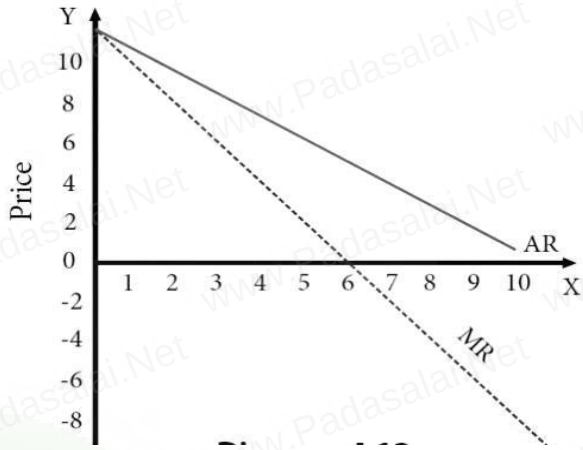
Constant AR and MR (at Fixed Price)



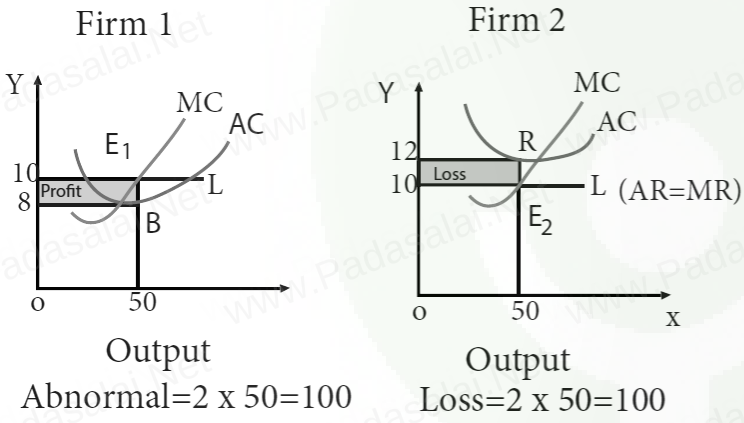
Quantity Sold (Q)	Price (P) ₹	Total Revenue (TR) ₹	Average Revenue (AR) ₹	Marginal Revenue (MR) ₹
1	5	5	5	5
2	5	10	5	5
3	5	15	5	5
4	5	20	5	5
5	5	25	5	5
6	5	30	5	5

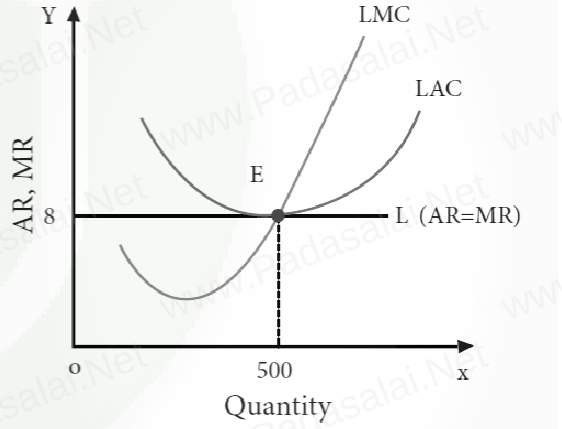
Declining AR and MR (at declining Price)

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

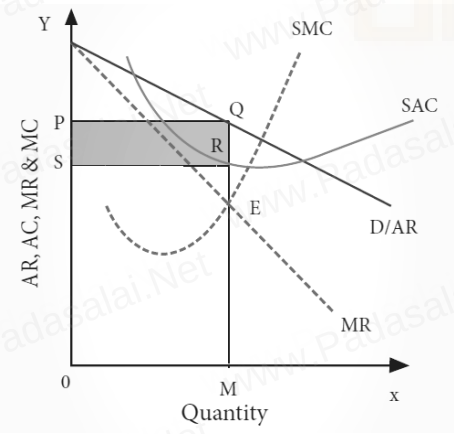


Price & Output Determination-Perfect Competition during Short Run

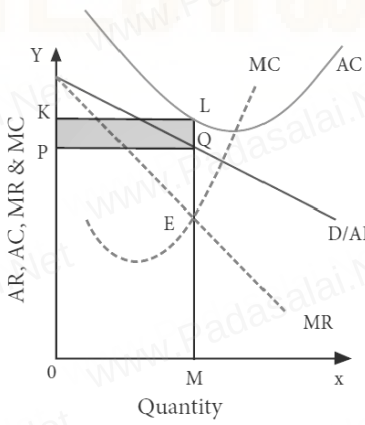




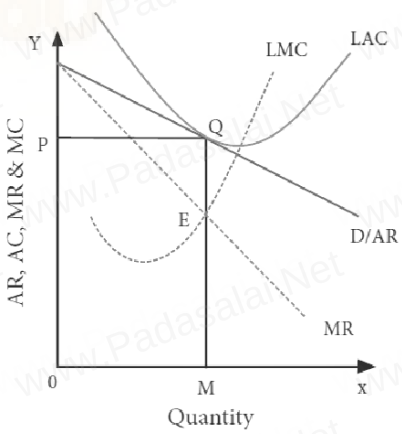
Short run Profit



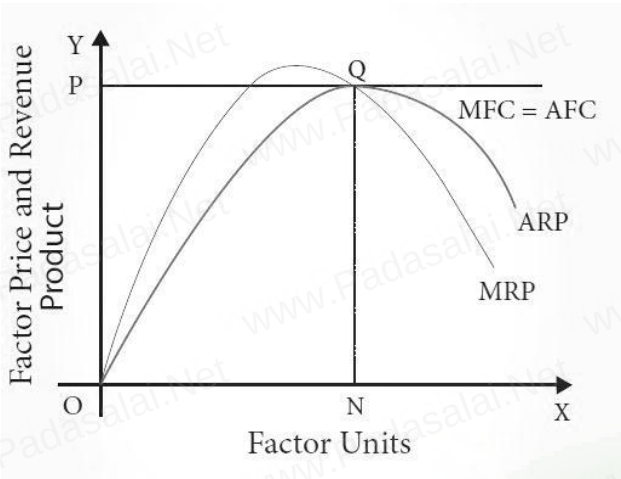
Short run Loss



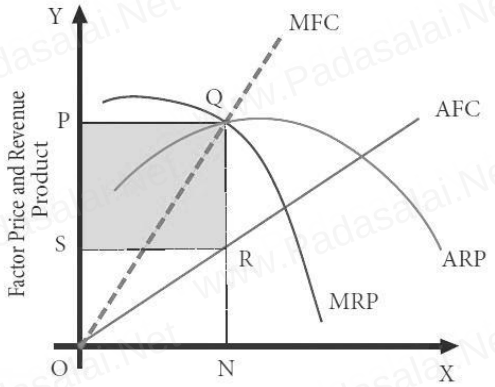
Long run Equilibrium



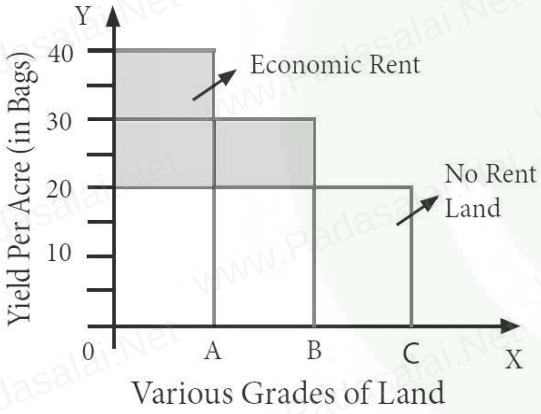
MP :Under Perfect Competition



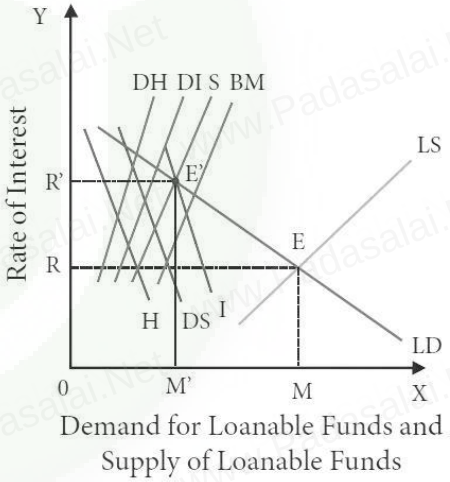
MP : Under Imperfect Competition



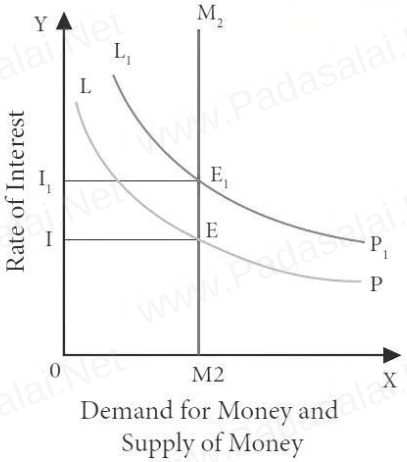
Ricardian Theory of Rent



Loanable Funds Theory of Interest



Keynesian Theory of Interest



By

D.KARTHI B.Com.,M.B.A

K.G.S. MATRIC.HR.SEC.SCHOOL

Tirupur

Contact: 9843247631