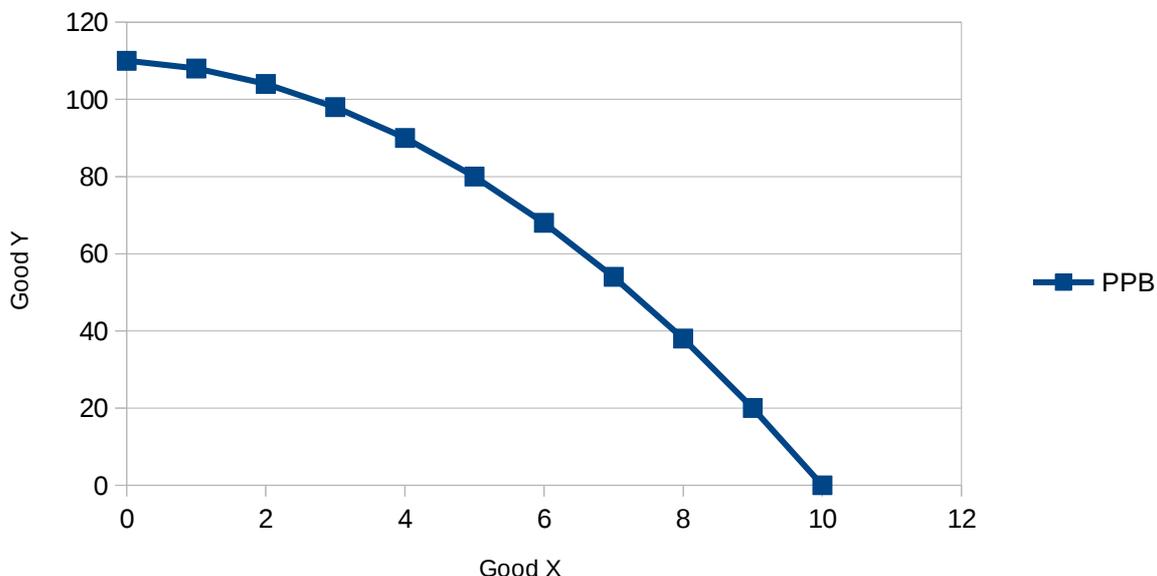


Answer on Question #47114, Economics, Microeconomics

1.



2. The proposition that opportunity cost, the value of foregone production, increases as the quantity of a good produced increases. This fundamental economic principles can be seen in the production possibilities schedule and is illustrated graphically through the slope of the production possibilities curve. It generates a distinctive convex shape, flat at the top and steep at the bottom.

Good X	Good Y	Opportunity cost
0	110	
1	108	2
2	104	4
3	98	6
4	90	8
5	80	10
6	68	12
7	54	14
8	38	16
9	20	18
10	0	20

3. The opportunity cost of x given this production point is 50 units of y.