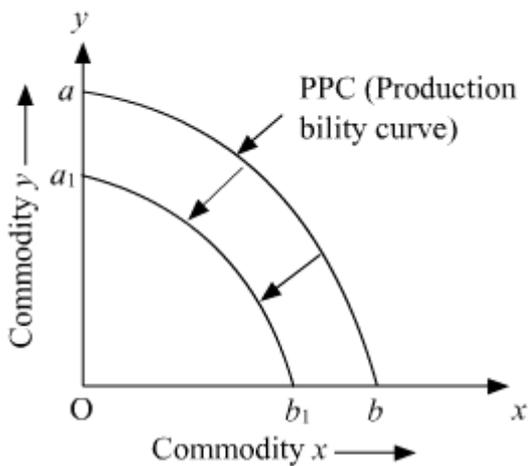
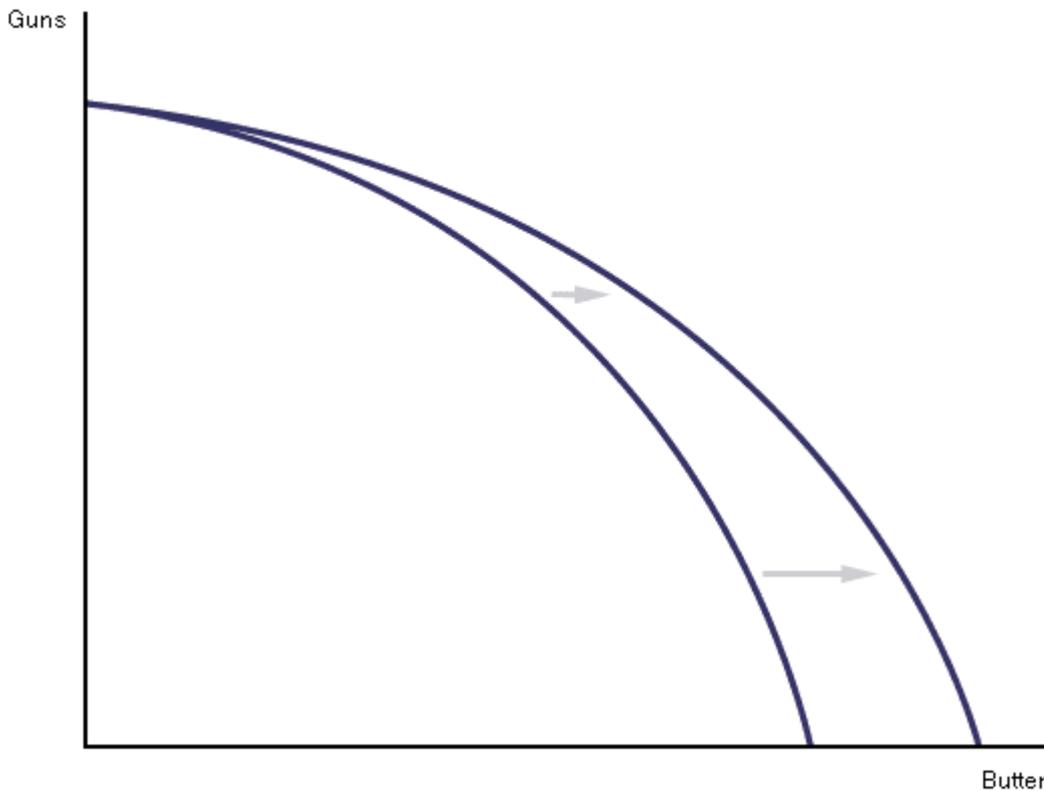


Answer on Question #48301, Economics, Microeconomics



A. After a prolonged drought the initial production possibilities frontier will shift inward, as we can see on the graph above, because both less cotton and soybeans will be grown.



B. Genetic modification that make soybeans resistant to insects, allowing yields to double will increase production of soybeans and the initial production possibilities frontier will move rightward like on the graph above, as the production of cotton will be the same.