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M T W T F S S

Chapter 10: Consumer Choice

(A) $MRS_{xy} = \frac{p_x}{p_y} \Rightarrow \left(\frac{y}{x} \right) = \frac{p_x}{p_y} \Rightarrow \left(\frac{y}{x} \right) = \frac{1}{2} \Rightarrow y = \frac{x}{2}$

(B) $MRS_{xy} = \frac{p_x}{p_y} \Rightarrow \left(\frac{y}{x} \right) = \frac{p_x}{p_y} \Rightarrow \left(\frac{y}{x} \right) = \frac{1}{2} \Rightarrow y = \frac{x}{2}$

(C) The budget line is $T = 10x + 5y = 100$

(D) $MRS_{xy} = \frac{p_x}{p_y} \Rightarrow \left(\frac{y}{x} \right) = \frac{p_x}{p_y} \Rightarrow \left(\frac{y}{x} \right) = \frac{1}{2} \Rightarrow y = \frac{x}{2}$

(E) The indifference curve is $U = 10x + 5y = 100$

(F) The indifference curve is $U = 10x + 5y = 100$

(G) $MRS_{xy} = \frac{p_x}{p_y} \Rightarrow \left(\frac{y}{x} \right) = \frac{p_x}{p_y} \Rightarrow \left(\frac{y}{x} \right) = \frac{1}{2} \Rightarrow y = \frac{x}{2}$