

$$u() = a x_1 + b x_2$$

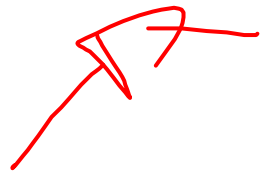
$$MU_1 = \frac{\partial u()}{\partial x_1} = a$$

$$MU_2 = \frac{\partial u()}{\partial x_2} = b$$

$$\Rightarrow MRS_{12} = \frac{MU_1}{MU_2} = \frac{a}{b}$$

$$(x_1, x_2)$$

$$(4, 100)$$



$$U(x_1, x_2) = \min\{x_1, x_2\}$$
$$= \min\{4, 100\} = 4$$

$$U(x_1, x_2) = \min \left\{ \underset{\uparrow}{x_1}, \underset{\uparrow}{\frac{1}{2}x_2} \right\}$$

$$(x_1 = 1, x_2 = 2)$$

$$U(\cdot) = \min \left\{ 1, \frac{1}{2}(2) \right\} = 1$$
$$= 1, \left[ \frac{1}{2}(8) \right] = 1$$