

THE FIVE variables defined are: policy, price, production rate, consumption rate, and technology. Because all of these variables will hold effects on others, it is essential understand how their relationships are. For example, if the policies regarding the production process change it may impact the cost of the whole production process, which will consequently vary the price. The same would occur should the consumption rate change it would hold impact on the production rate and price. The technologies involved in the production will also play a role on cost which will again influence the price, consumption rate and production rate.

