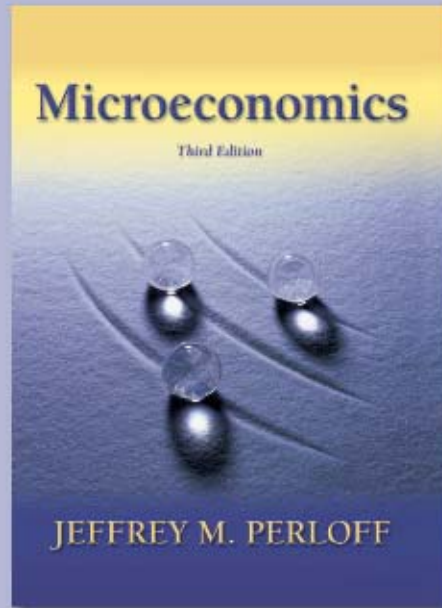


Chapter 4

Consumer Choice



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Figure 4.1 Bundles of Pizzas and Burritos Lisa Might Consume

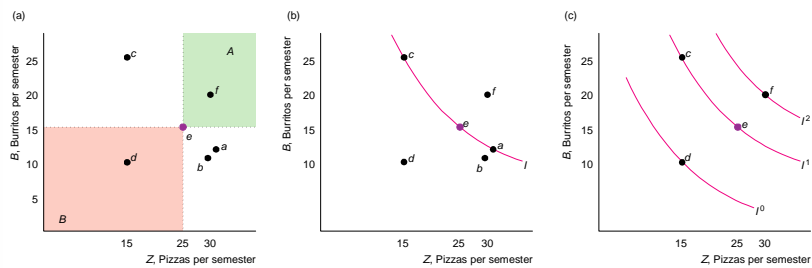
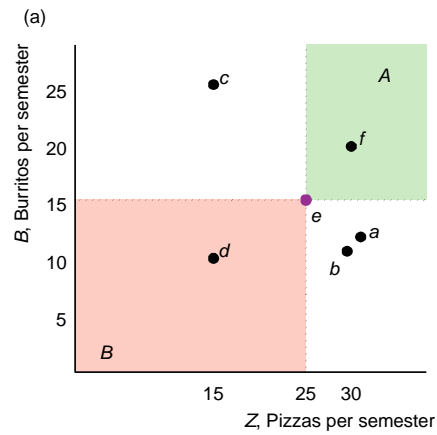


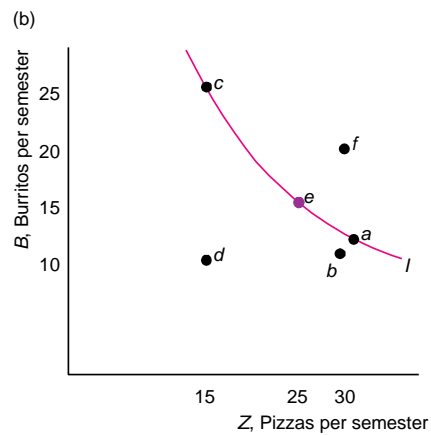
Figure 4.1a Bundles of Pizzas and Burritos Lisa Might Consume



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Figure 4.1b Bundles of Pizzas and Burritos Lisa Might Consume



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Figure 4.1c Bundles of Pizzas and Burritos Lisa Might Consume

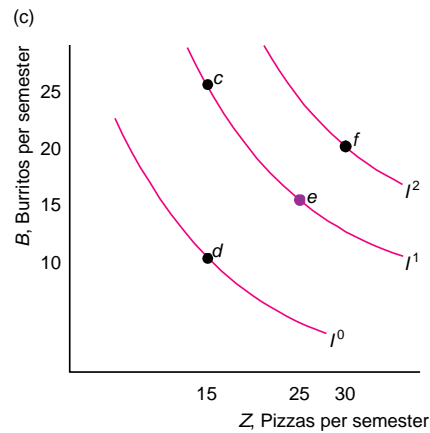


Figure 4.2 Impossible Indifference Curves

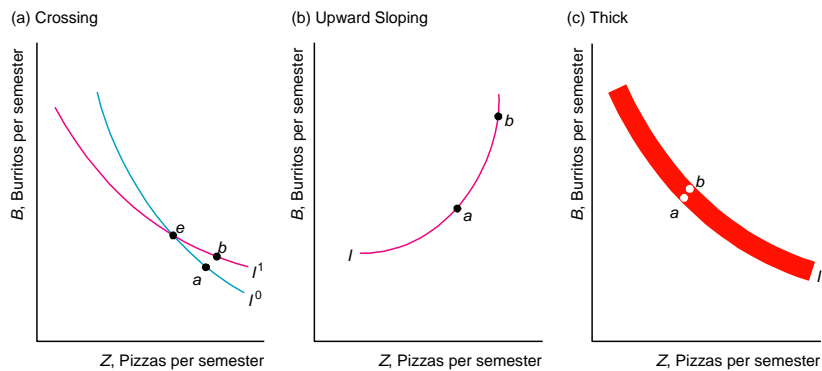
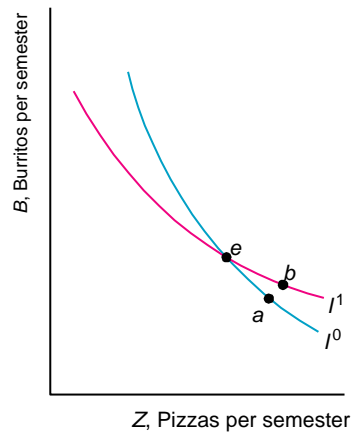


Figure 4.2a

Impossible Indifference Curves

(a) Crossing



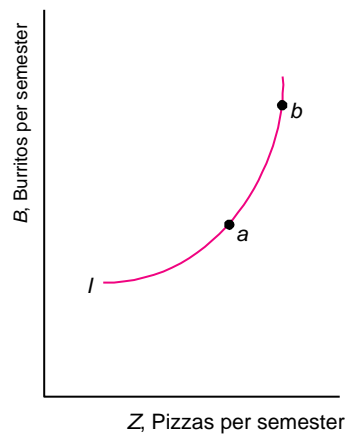
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Figure 4.2b

Impossible Indifference Curves

(b) Upward Sloping

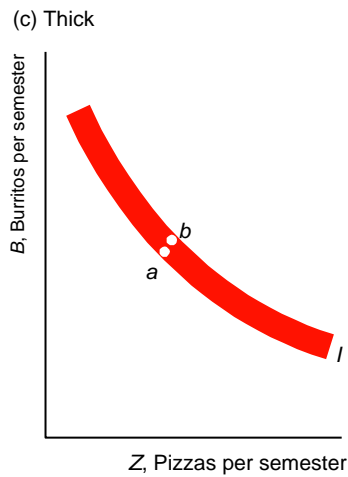


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Figure 4.2c

Impossible Indifference Curves

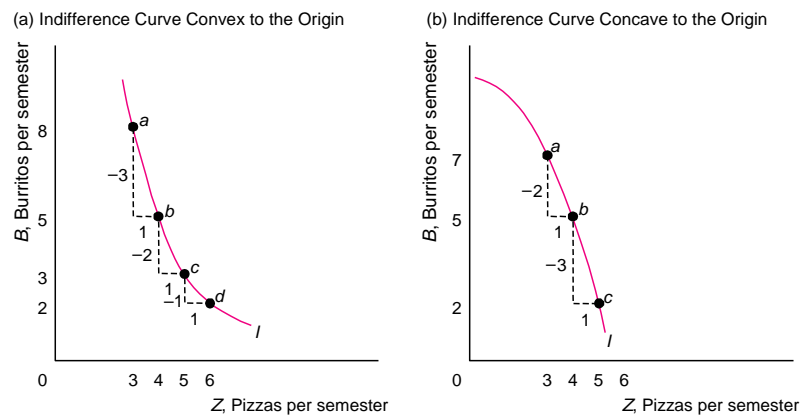


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Figure 4.3

Marginal Rate of Substitution



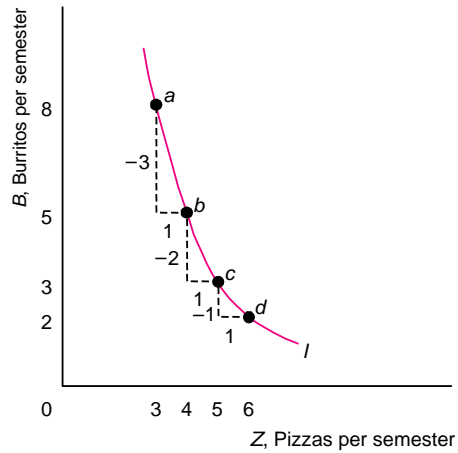
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Figure 4.3a

Marginal Rate of Substitution

(a) Indifference Curve Convex to the Origin



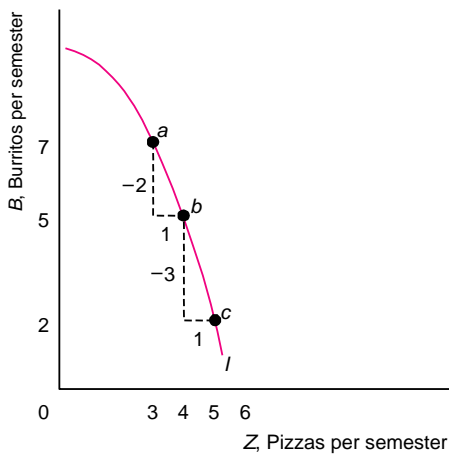
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Figure 4.3b

Marginal Rate of Substitution

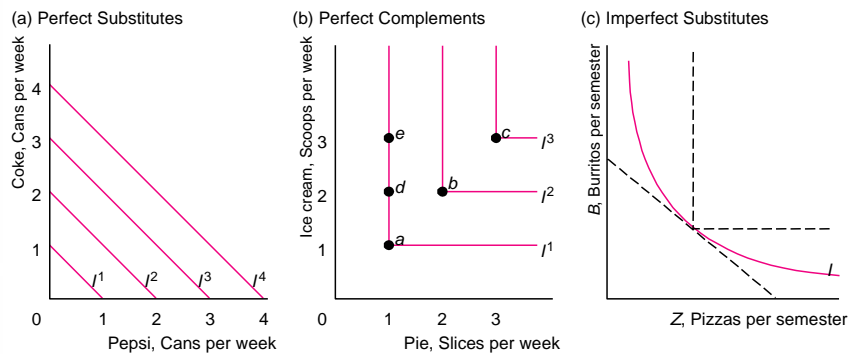
(b) Indifference Curve Concave to the Origin



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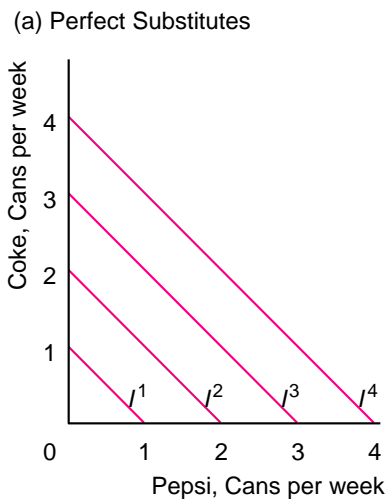
Figure 4.4 Perfect Substitutes, Perfect Complements, Imperfect Substitutes



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Figure 4.4a Perfect Substitutes, Perfect Complements, Imperfect Substitutes

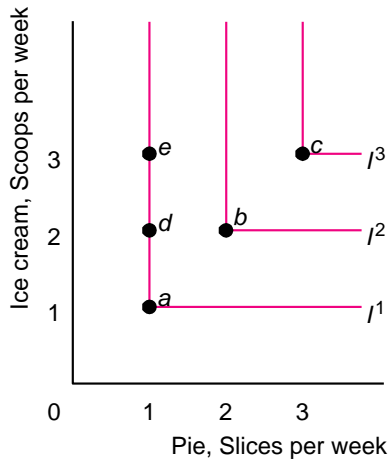


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Figure 4.4b Perfect Substitutes, Perfect Complements, Imperfect Substitutes

(b) Perfect Complements

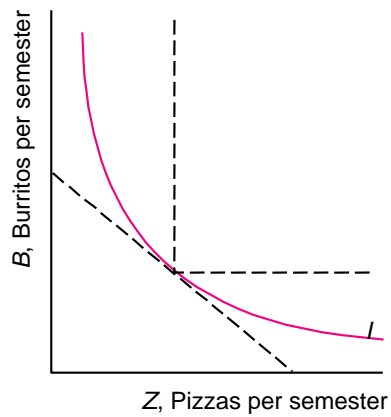


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Figure 4.4c Perfect Substitutes, Perfect Complements, Imperfect Substitutes

(c) Imperfect Substitutes



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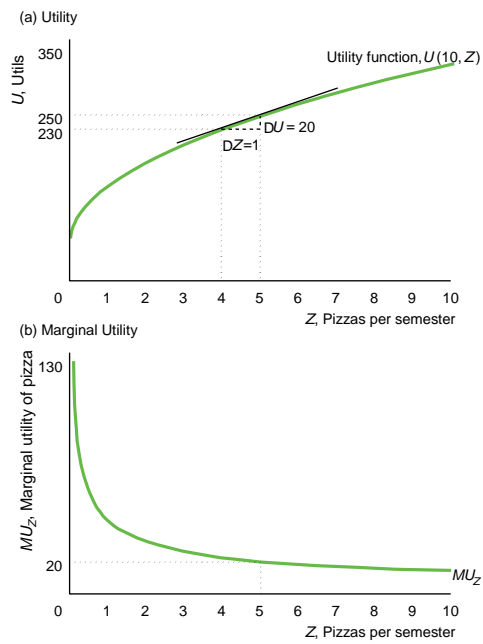
Application (Page 83) Indifference Curves Between Food and Clothing



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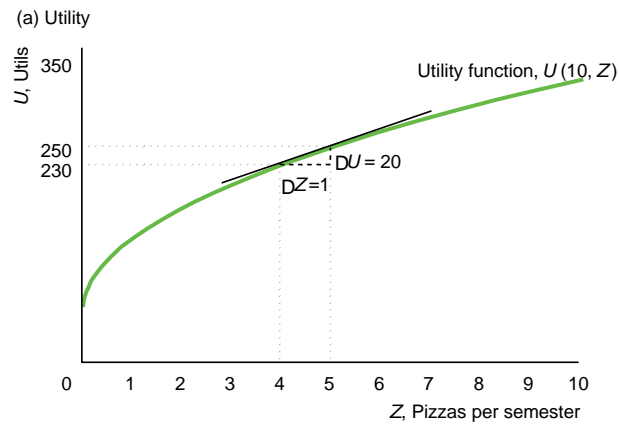
Figure 4.5 Utility and Marginal Utility



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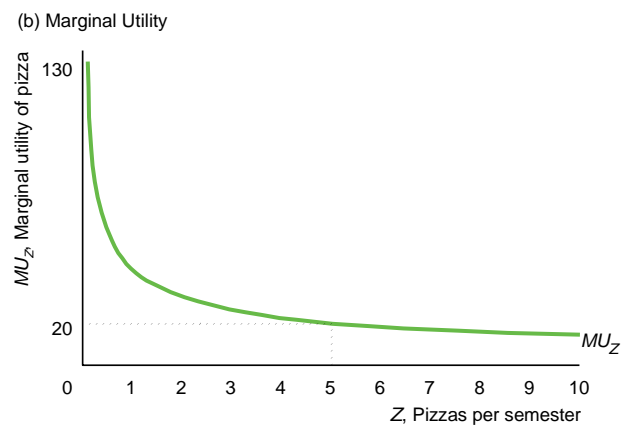
Figure 4.5a
Utility and Marginal Utility



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Figure 4.5b
Utility and Marginal Utility



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Table 4.1 Allocations of a \$50 Budget
Between Burritos and Pizza

Table 4.1 Allocations of a \$50 Budget Between Burritos and Pizza		
Bundle	Burritos	Pizza
<i>a</i>	25	0
<i>b</i>	20	10
<i>c</i>	10	30
<i>d</i>	0	50

Figure 4.6 Budget Constraint

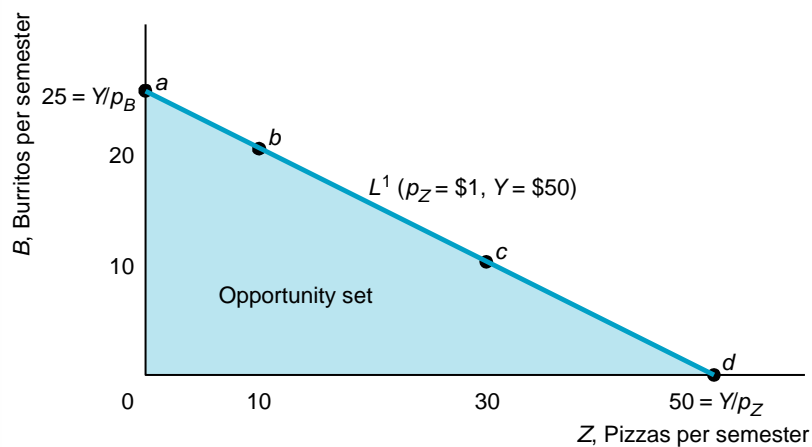
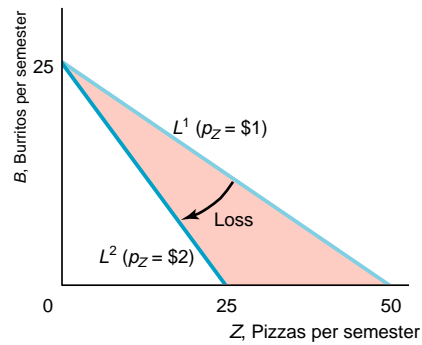


Figure 4.7 Changes in the Budget Constraint

(a) Price of Pizza Doubles



(b) Income Doubles

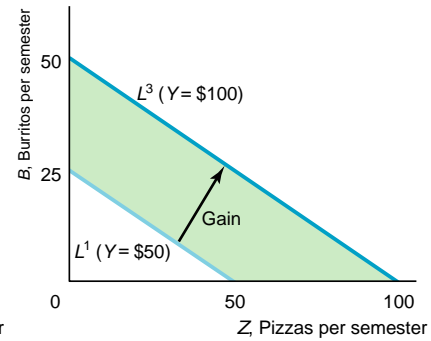


Figure 4.7a Changes in the Budget Constraint

(a) Price of Pizza Doubles

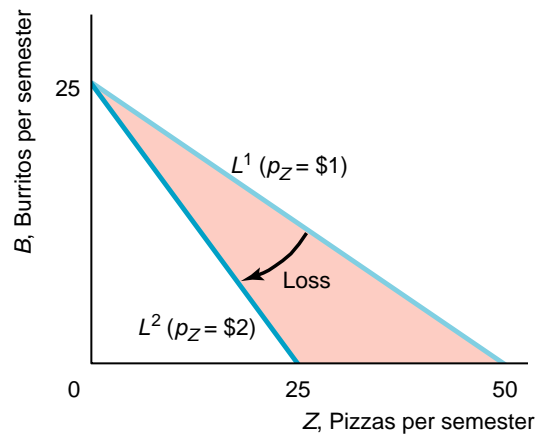
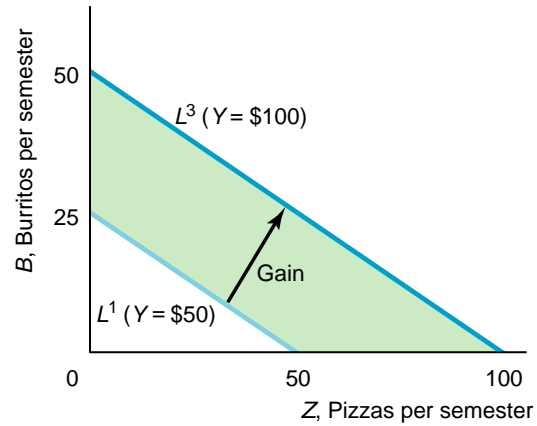


Figure 4.7b

Changes in the Budget Constraint

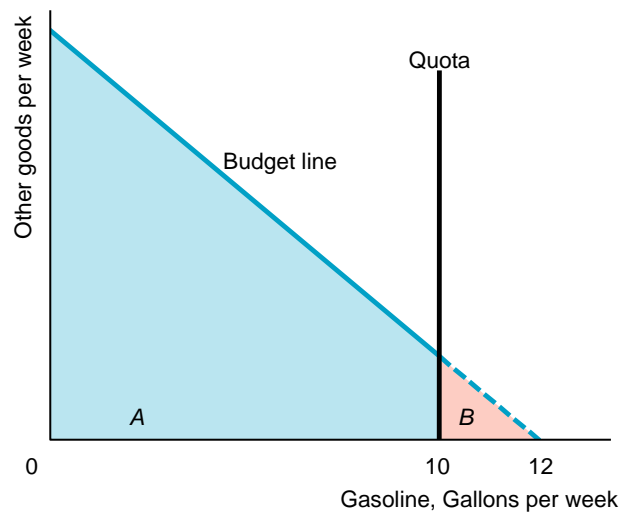
(b) Income Doubles



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Figure 4.8 Consumer Maximization

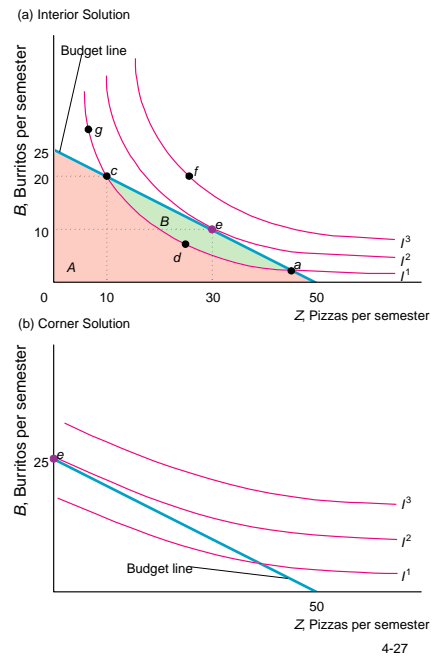


Figure 4.8a Consumer Maximization

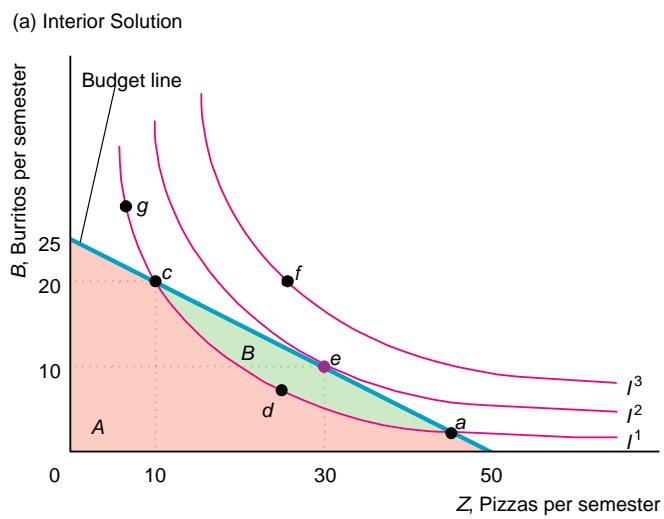
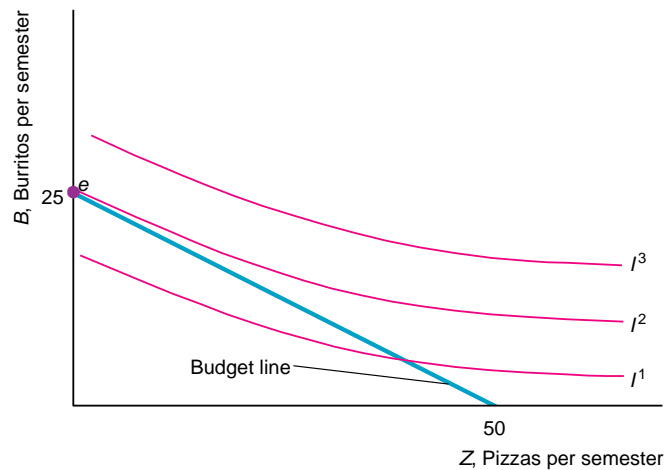


Figure 4.8b Consumer Maximization

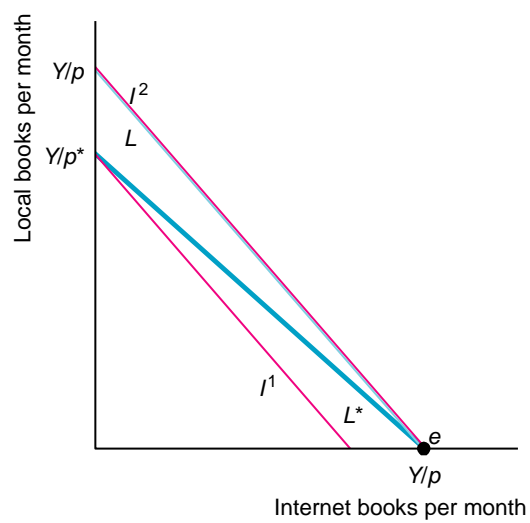
(b) Corner Solution



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Figure 4.9 Optimal Bundles on Convex Sections of Indifference Curves

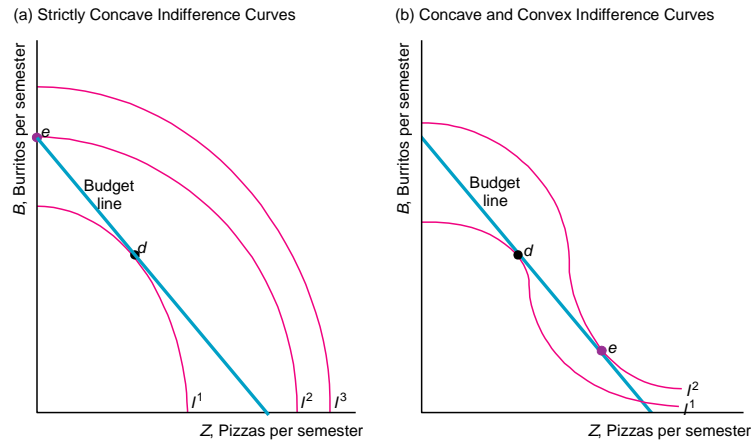


Figure 4.9a Optimal Bundles on Convex Sections of Indifference Curves

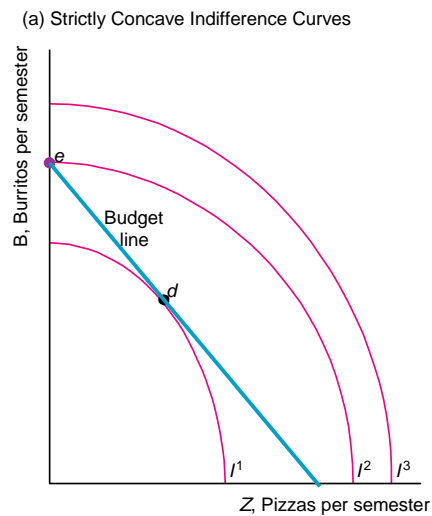
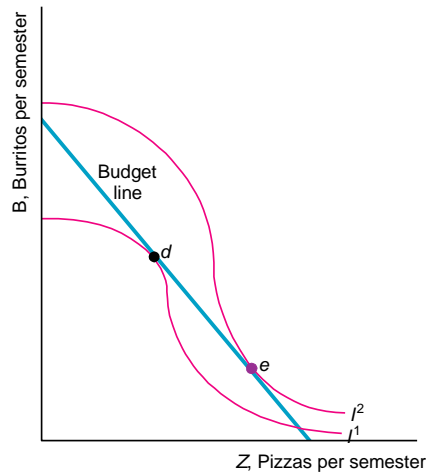


Figure 4.9b Optimal Bundles on Convex Sections of Indifference Curves

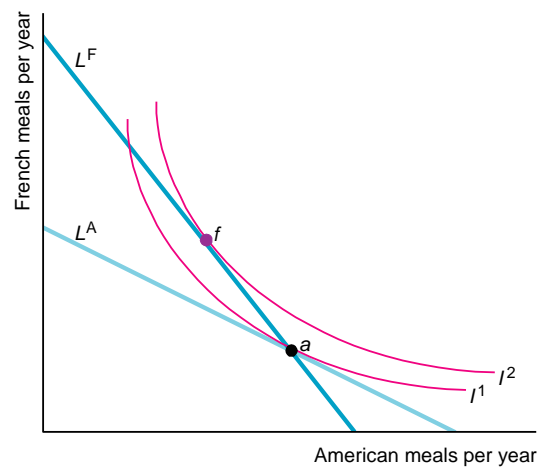
(b) Concave and Convex Indifference Curves



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Figure 4.10
Food Stamps Versus Cash

