

East West University
Department of Economics
Spring 2024
ECO 101 (Principles of Microeconomics)
Assignment 1

Submission deadline: February 10, 2024 at 09:30 am

Name	
ID No	

A country has 150 Units of labor. The country can produce two goods (Rice and Fish). To produce one unit of Rice the country needs 5 units of labor and to produce one unit of Fish the county needs 10 units of labor. Draw the PPF for the country. Now show in separate diagrams, how the following changes will affect the PPF. (you need to draw the original PPF and the new PPF in each of the diagrams)

- a. Technology of Rice production improves.
- b. Technology of production for both the goods improve.
- c. New labor migrates to that country.
- d. Natural disaster hampers production of Fish.