









When output decrease these  
costs decrease

When output is zero these  
costs are zero

A

**S**







u



**p**

u







n





**r**

e

a

**S**



e



h

e



a



m



e

**r**

u

e

**m**



**r**

e









Water



Workers



Fertilizer



Seeds



# Variable Costs



When output **increase** these  
costs **increase**

Costs that change  
with Output

As output increase the farmer use more...



As output increase the farmer use more...



Water

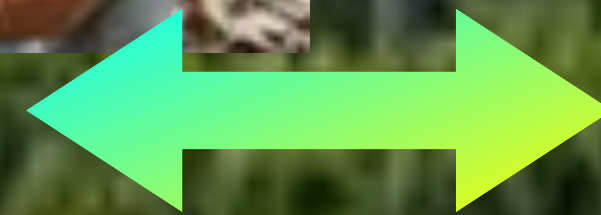


Workers



When output **increase** these costs **increase**

Variable Costs



Costs that change with Output



Fertilizer



Seeds

When output **decrease** these costs **decrease**



Variable Cost

