





ost

In order to

Produce, a farmer

needs







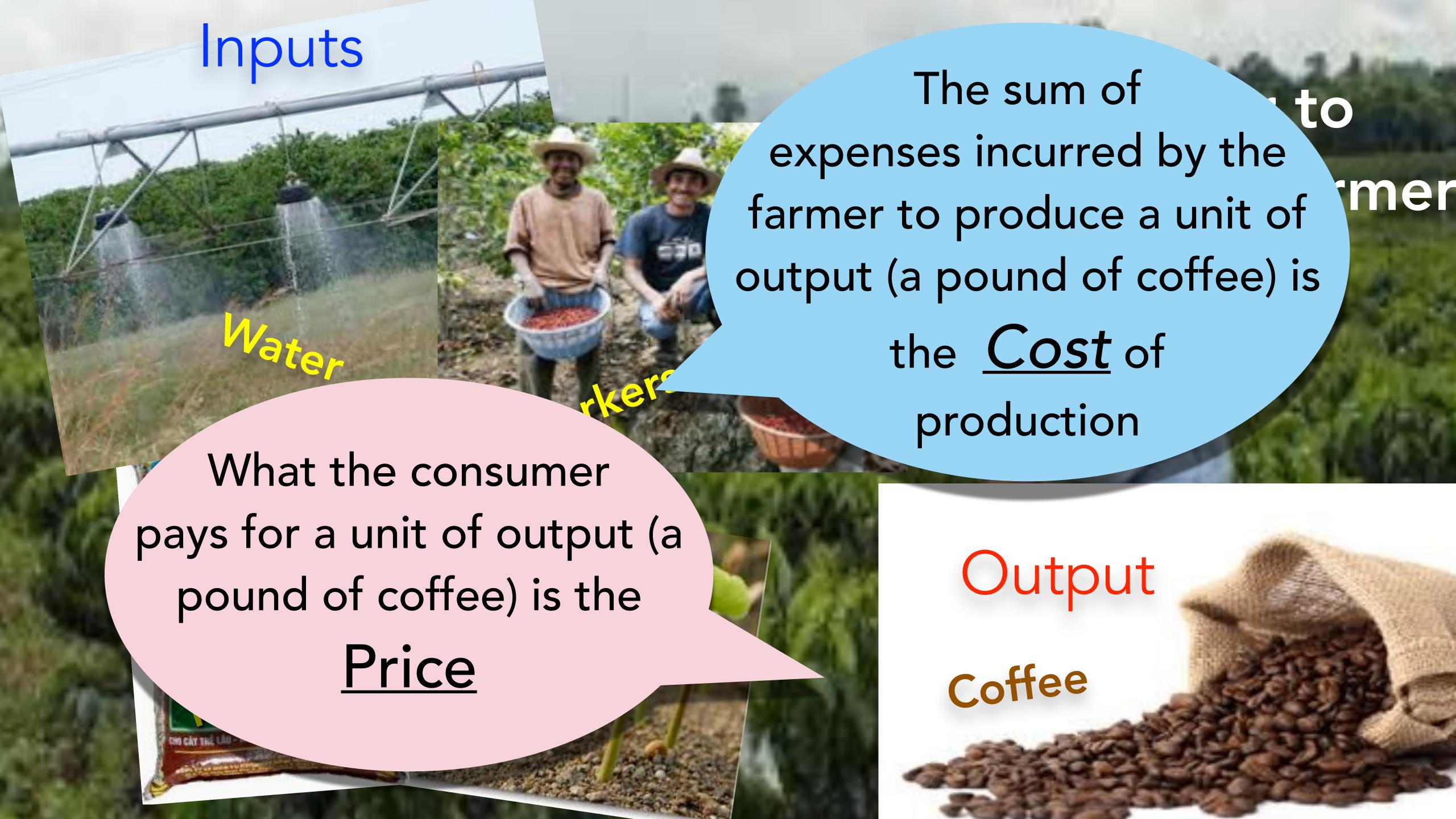




The sum of expenses incurred by the farmer to produce a unit of output (a pound of coffee) is the Cost of production

What the consumer pays for a unit of output (a pound of coffee) is the Price

Inputs



Price is not the same as Cost!