





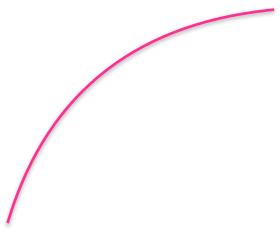
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## Variable Costs increase with

increasing slope



 $\$0.40=MC_5$ 

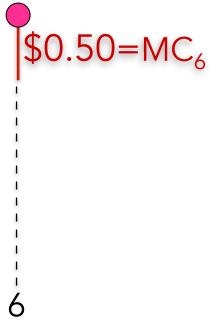
## Decreasing Returns to Labor

set in:



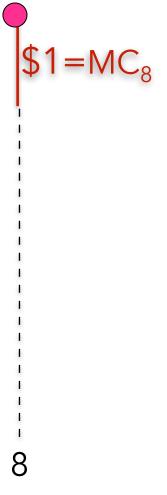
## Cost per unit rise as the Marginal Product Increase

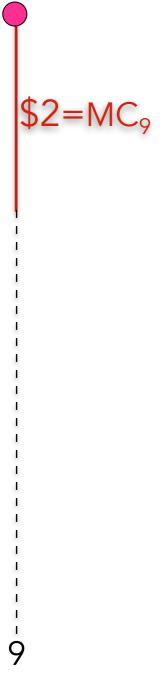




 $$0.66 = MC_7$ 

7





## Marginal Cost



