

Short Run vs. Long Run

Run three shifts:
Hire more workers
but can't expand
the size of the
plant



what to do?

Long run: Firms can expand the plant size and hire more workers

Short Run: Plant
size is fixed at
30K units

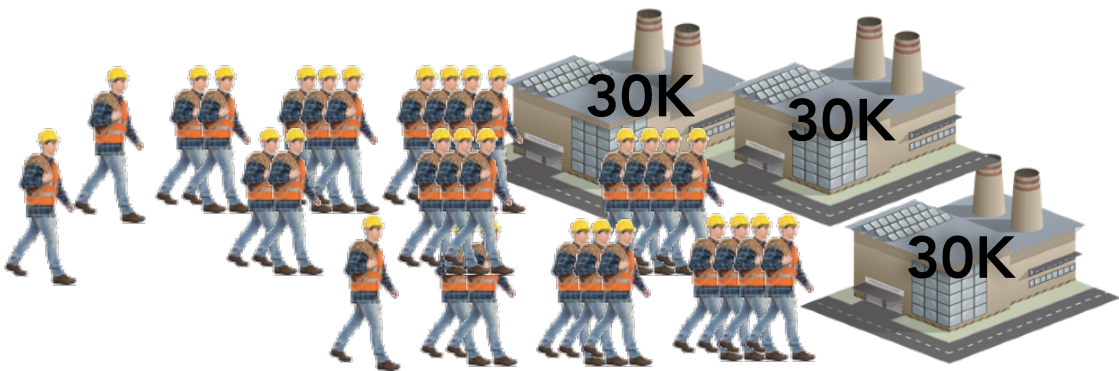








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