

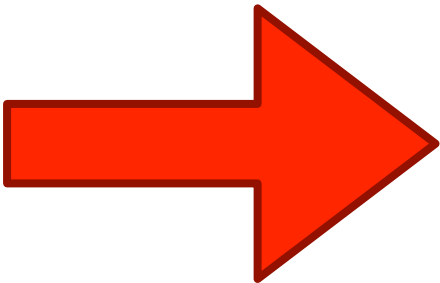


Hiring more workers is still beneficial:



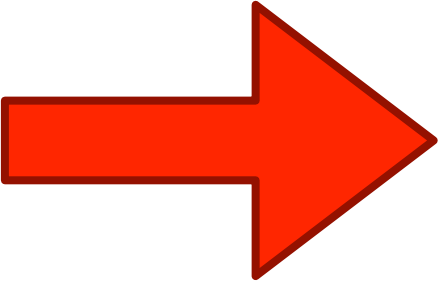
New workers produce additional units

📌 New workers still improve the productivity of other workers but as the plant begins to get crowded the increase in productivity slows down



New workers make previous  
workers only a bit more  
productive

What happens if we continue to hire more  
workers?



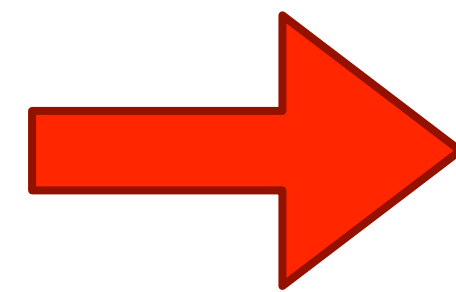


Marginal Product Decrease

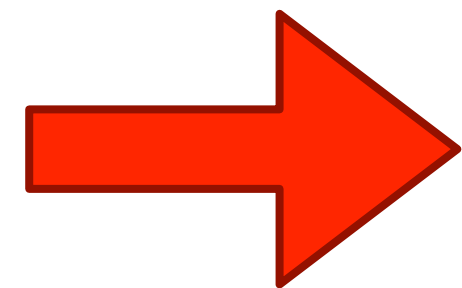
# What happens if we **continue** to hire more workers?

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New workers make previous workers only **a bit more** productive



Marginal Product **Decrease**

