The Average/Marginal Rule

If the next worker's MP is higher than the previous average

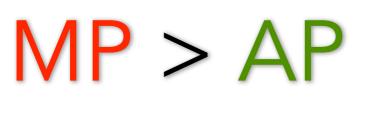
Average RISE

If the next worker's MP is lower than the previous average

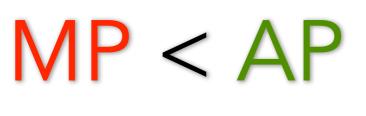


If the next worker's MP is equal to the previous average

Average stays the SAME









MP

Average stays the SAME

The Average/Marginal Rule

If the next worker's MP is **higher** than the previous average

MP > AP Average RISE

If the next worker's MP is lower than the previous average

MP < AP Average FALLS

If the next worker's MP is equal to the previous average

MP = AP Average stays the SAME

MPAP The Average/Marginal Rule