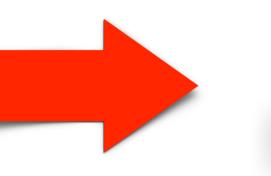
Price is not the same as Cost!

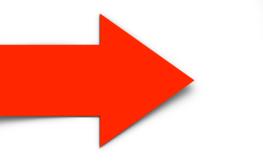
If the Price per unit is higher than the Cost per unit



The farmer will make a profit and has an incentive

to produce

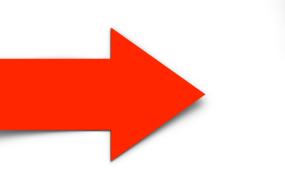
If the Price per unit is equal to the Cost per unit



The farmer will **break even** and has no incentive to

produce

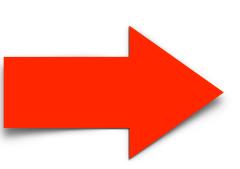
If the Price per unit is lower than the Cost per unit



The farmer will incur a loss and has no incentive to produce

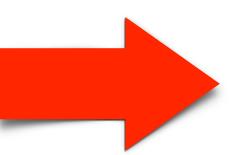
Price is not the same as Cost!

If the Price per unit is **higher** than the Cost per unit



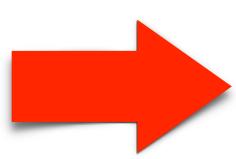
The farmer will make a **profit** and has an incentive to produce

If the Price per unit is **equal** to the Cost per unit



The farmer will **break even** and has no incentive to produce

If the Price per unit is **lower** than the Cost per unit



The farmer will incur a **loss** and has no incentive to produce

