**Microeconomics**

**Chapter 6 – the Short Run**

**45A.** See the following table:

**Table 6.11 (completed)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Output** | **AFC** | **AVC** | **ATC** | **MC** | **TVC** | **TC** |
| 1 | **$160** | **$40** | **$200** | $40 | **$40** | **$200** |
| 2 | **80** | **35** | **115** | **30** | 70 | **230** |
| 3 | **53.33** | **36.67** | 90 | **40** | **110** | **270** |
| 4 | 40 | **40** | **80** | **50** | **160** | 320 |
| 5 | **32** | **46** | **78** | 70 | **230** | **390** |
| 6 | **26.67** | 55 | **81.67** | **100** | **330** | **490** |
| 7 | **22.86** | **68.57** | **91.43** | **150** | 480 | **640** |
| 8 | **20** | **85** | **105** | **200** | **680** | 840 |

**46A.** a) $2000 (It’s the amount of total cost when production (quantity) is zero.

1. $100 (The amount by which total costs increase, from $2700 to $2800)

c) $860 (Total cost of 4 tonnes is $2860, total fixed costs are $2000; total variable costs are the difference.)

d) $1350 ($2700/2)