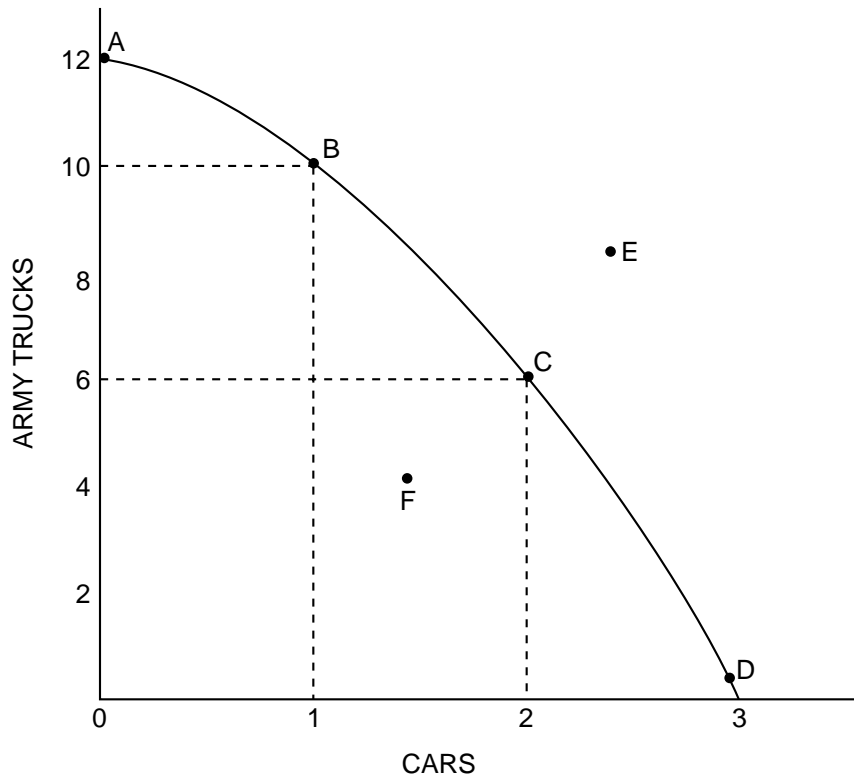


# Production Possibilities Curve



- (A) What trade-offs are involved?
- (B) Why is the PPC concave, or bowed out, from the origin?
- (C) What does a point inside the PPC illustrate?
- (D) What is an historical example of a point inside the PPC?
- (E) What is the significance of a point outside the PPC?
- (F) Under what conditions can a point outside the PPC be reached?

Transparency developed by Faye Ison, Horace Mann High School, Gary, Ind., and Diana Spinnati, Mansfield City Schools, Mansfield, Ohio.