

Homework # 6

Answer questions 9.5, 9.14, and 9.16 on page 272 and 273 of the textbook. Show all of your calculations for question 9.5 by providing a table like the one on page 246 of the textbook. State the firm's most profitable output and how large profit is, if the price of *all* variable inputs increase by 50%. Should the firm remain open in the short-run? in the long-run? Carefully explain.