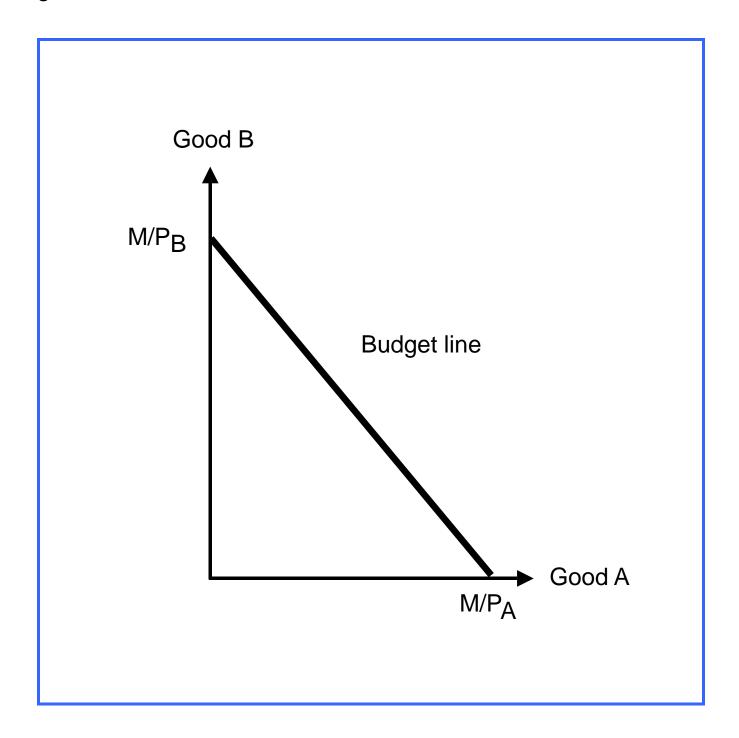
Budget line

A consumer with an income of M can choose between two goods, A and B, at the prices of P_A and P_B . The budget line shows the possible combinations with regard to the 2 divisible goods A and B.



Budget line.doc 2018-01-22