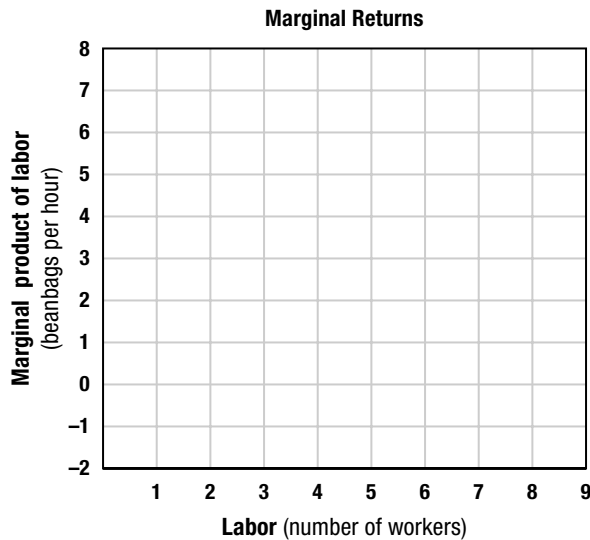


Graphs are a visual way to show information. Two kinds of graphs are used in this chapter: bar graphs and line graphs.

- Line graphs usually show how the amount of something changes over time. For example, the yearly rise or fall in a firm’s profits can be plotted on a line graph.
- Bar graphs compare quantities. For example, a bar graph can compare a firm’s different kinds of costs.

Which type of graph is best for showing the marginal product of labor? To decide, compare two graphs with the same information.



Apply the Skills

Directions: First, create a line graph by looking at the Marginal Product of Labor table on page 104. For each point on the horizontal axis, that is, for each additional worker, mark the point along the vertical axis for each number in the Marginal Product of Labor column. Then draw a line between the points, from left to right.

1. Look at the Marginal Returns bar graph on page 105. Does it cover the same information as the line graph you drew?
2. Do you think the bar graph or the line graph shows the information about marginal product of labor more clearly? Why?