Mylan Moxalley Secell 423

1)a)

1st pair : MB = 50 dollar > 22,22 dollar → buy

2nd pair MB = 40 dollar > 22,22 dollar → buy

3rd pair . MB = 30 dollar = 22,22 dollar → buy

4th pair MB = 20 dollar < 22,22 dollar → stop

1)b) suppose the price increases at 32,22 dollars per pair

1st 50 dollar > 32,22 → buy
2nd 40 dollar > 32,22 → buy

3rd 30 dollar < 32,22 → stop

2) Joe's marginal benefit is double Jill's price = 22,22
Joe's marginal benefits = {100, 80, 60, 40, 20}

1st pair = 100 $ → buy (> 22,22 $)
2nd pair = 80 $ > 22,22 $ → buy

3rd pair = 60 $ > 22,22 $ → buy

4th pair = 40 $ > 22,22 $ → buy

5th pair = MB = 20 $ < 22,22 → stop