

The top graph illustrates the production function for a fixed amount of capital ($\bar{K}$). The vertical axis represents the number of workers (L) and the horizontal axis represents the number of machines (K). The production function curve (PFC) is a concave curve starting from the origin. The production possibility frontier (PPF) is a straight line segment connecting the maximum number of workers (L_{max}) on the vertical axis to the maximum number of machines (K_{max}) on the horizontal axis. The area between the PFC and the PPF is shaded blue.

The bottom graph illustrates the production function for a fixed amount of labor ($\bar{L}$). The vertical axis represents the number of machines (K) and the horizontal axis represents the number of workers (L). The PFC is a concave curve starting from the origin. The PPF is a straight line segment connecting the maximum number of machines (K_{max}) on the vertical axis to the maximum number of workers (L_{max}) on the horizontal axis. The area between the PFC and the PPF is shaded blue.

