At present Able Corporation has (in relative terms):

Marginal Product of Labor = 30

Total Cost of Labor = 15

Marginal Product of Capital = 60

Total Cost of Capital = 20.

1. Is Able Corporation currently operating at its lowest possible cost? \_\_\_\_\_\_\_\_\_\_\_\_\_
2. Why, or why not? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

To achieve the Equimarginal Criterion, Able Corporation would have to:

1. Raise / Lower (delete one) the Relative Total Cost of Labor to: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. Raise / Lower (delete one) the Relative Total Cost of Capital to: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. Once done the MPL/CL would be: \_\_\_\_\_\_\_\_\_\_ and the MPK/CK would be: \_\_\_\_\_\_\_\_\_\_\_\_\_