

4. A)

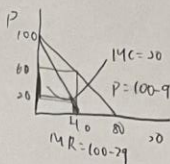
$$TR = (100 - q)q = 100q - q^2$$

$$MR = 100 - 2q$$

$$MC = 20$$

$$100 - 2q = 20 \quad q = 40 \quad p = 60$$

$$\pi = p \times q - TC(Q) = 40 \times 60 - (30 + 20 \cdot 40) = 1510$$



B)

$$\frac{40 \times 40}{2} = 800$$

C)

$$\frac{p - MC}{p} = \frac{60 - 20}{60} = 0.67$$

D)

$$\pi = TR - TC = \pi q$$

$$= 100q - q^2 - (30 + 20q) - 10q$$

$$= -q^2 + 70q - 30$$

$$\frac{d\pi}{dq} = -2q + 70 = 0 \quad q = 35 \quad p = 65$$

$$\pi = 2275 - 730 = 1545$$

E)

$$\pi = -q^2 + 70q - 30 \quad \frac{d\pi}{dq} = -2q + 70 = 0 \quad q = 35 \quad p = 65$$

$$0.1(100q - q^2) = 0.1q^2 + 60q - 30$$

$$= -q^2 + 70q - 30 - 10q + 10q^2 = -1111 + 2059q - 30$$

$$= 0.9q^2 + 60q - 30 = 2222 - 696.6$$

F)

$$\pi = 1510 - 1000 = 510$$

G)

$$\pi = 1510(1 - 0.2) = 1510 \times 0.8 = 1256$$

H)

$$p = MC \quad 100 - q = 20 \quad q = 80 \quad p = 20$$

$$\pi = 1600 - 1630 = -30$$

5. $p = 4MC$

$$\frac{p - MC}{p} = \frac{1}{\epsilon} \Rightarrow \frac{4MC - MC}{4MC} = \frac{1}{\epsilon} \Rightarrow \frac{3}{4} = \frac{1}{\epsilon}$$

$$3\epsilon = 4 \quad \epsilon = \frac{4}{3}$$

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$$7. TR = 280q - q^2 \quad MR = 280 - 2q \quad MC_A = 4q_A \quad MC_B = 8q_B$$

$$280 - 2q = 4q_A$$

$$280 - 2q = 8q_B$$

$$q_A = 46.67 \quad p = 233.33$$

$$q_B = 28 \quad p = 252$$