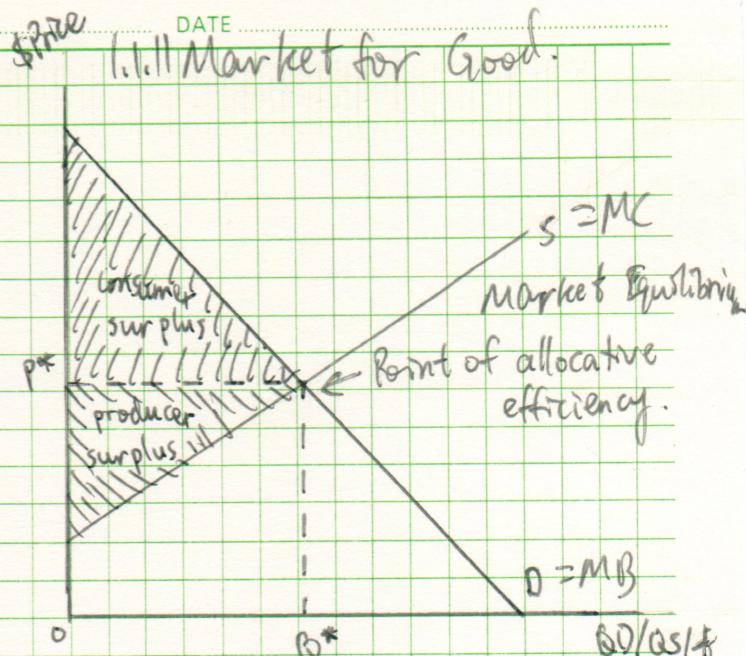
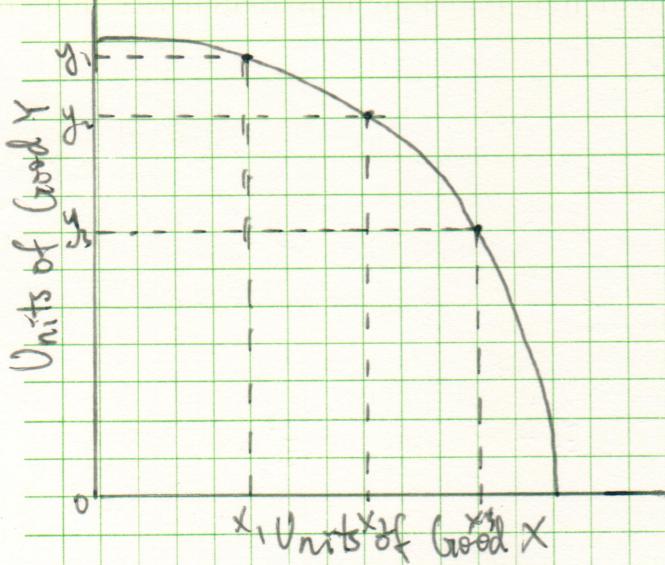


## 0.1.3 PPF - Good X, Y



## 1.2.10 PES

$$\frac{\% \Delta Q_S}{\% \Delta P}$$

$$PES=1$$

$PES=0$  / Perfectly Inelastic

$$0 < PES < 1 /$$

Inelastic

$$PES=1 /$$

Unitary Elastic

$$PES > 1 /$$

Elastic

$$PES=\infty /$$

Perfectly Elastic

$$PES=1 /$$

Elastic

## 1.2.1 PED

$PED=0$  / Perfectly Inelastic

$$PED=1 /$$

Unitary

$$0 < PED < 1 /$$

Inelastic

$$PED=\infty /$$

Perfectly

Elastic

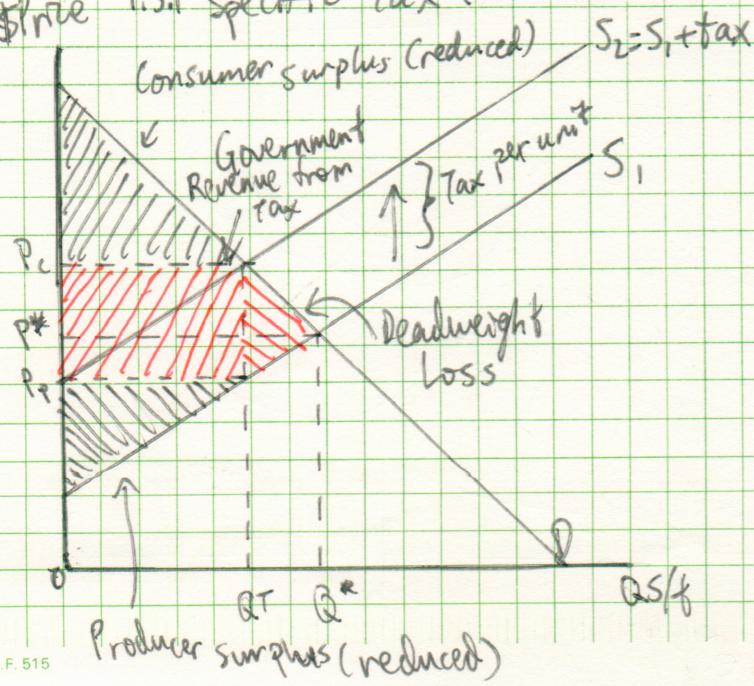
$$PED > 1 /$$

Elastic

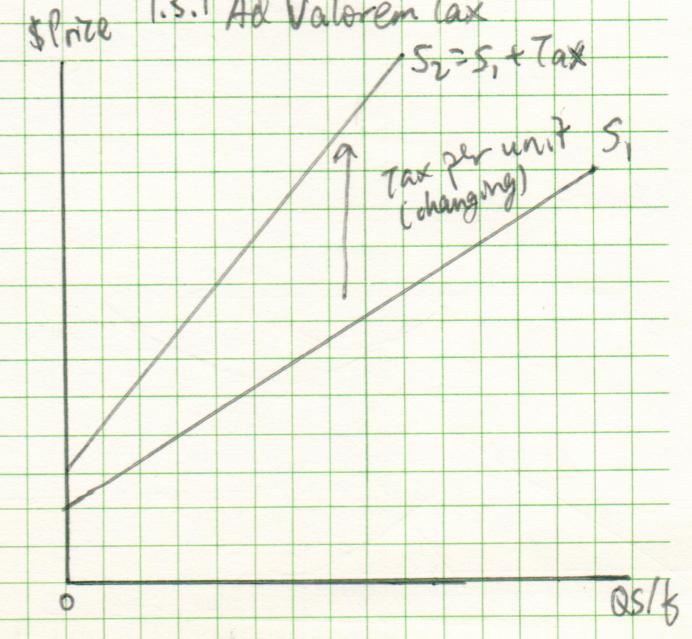
$$0 < PED < 1 /$$

Inelastic

## 1.3.1 Specific Tax (1.3.4 Tax Surpluses)



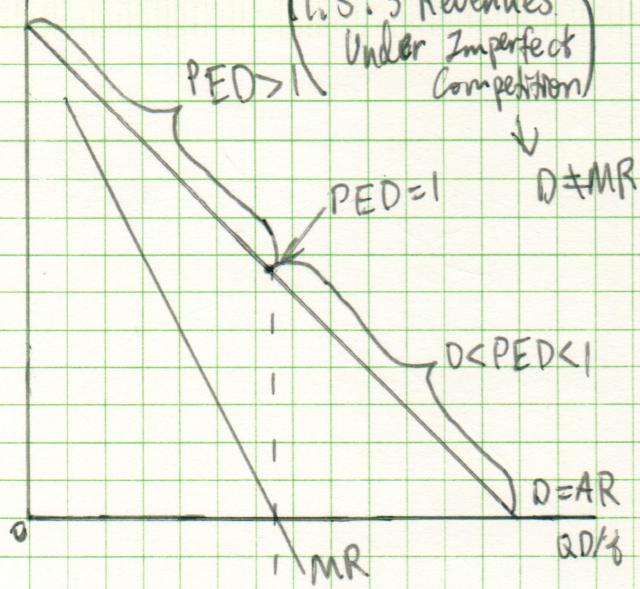
## 1.3.1 Ad Valorem Tax



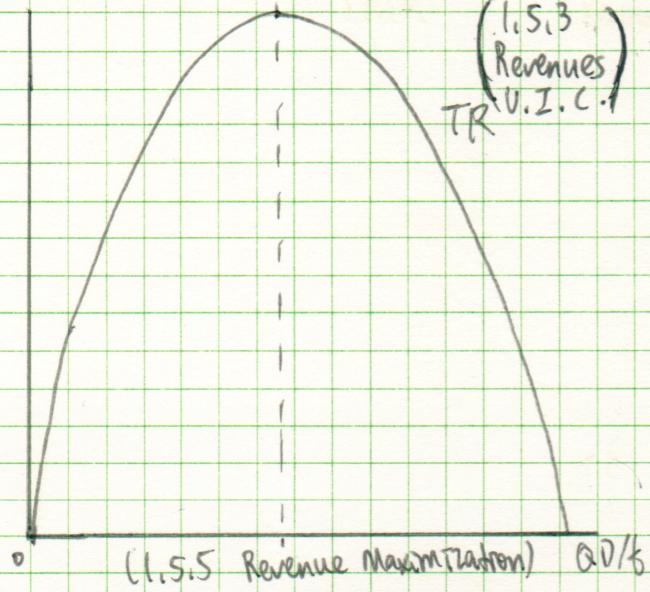


\$Price 1.2.1 Demand for Good

(1.5.3 Revenues  
Under Imperfect  
Competition)

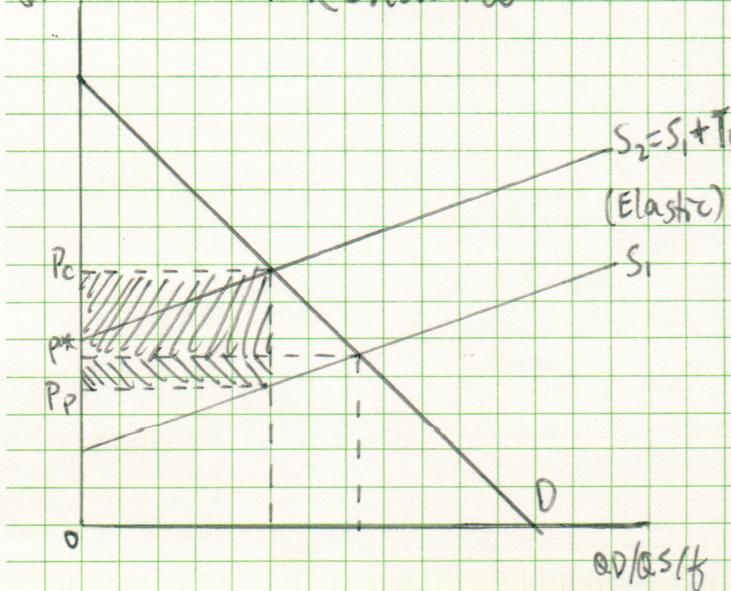


\$Price 1.2.4 Total Revenue = P x Q



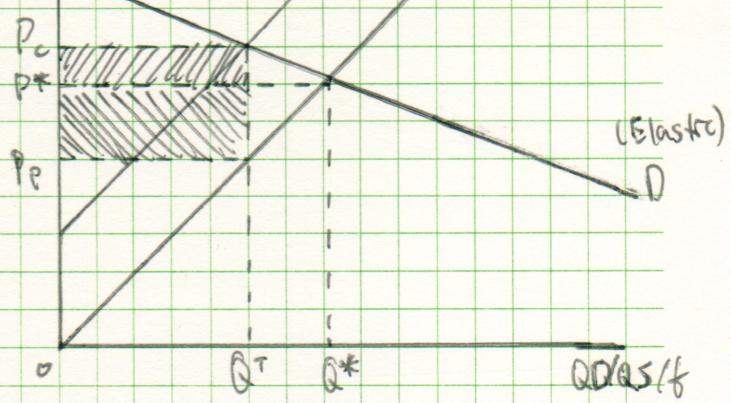
(1.5.5 Revenue Maximization) QD/f

\$Price 1.3.3 Tax Incidence

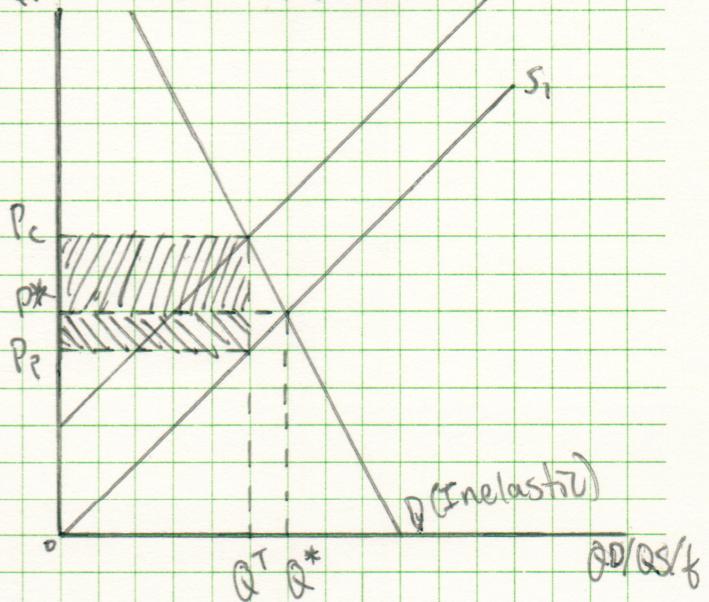


\$Price

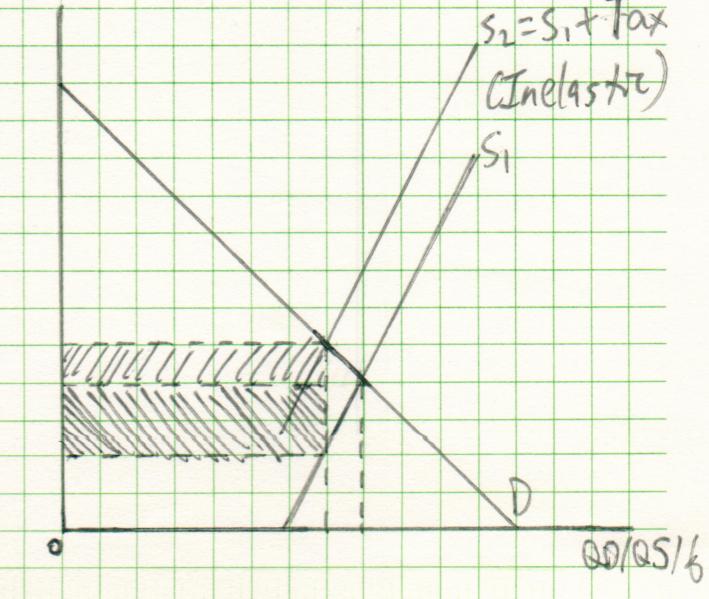
1.3.3 Tax Incidence  $S_2 = S_1 + \text{Tax}$



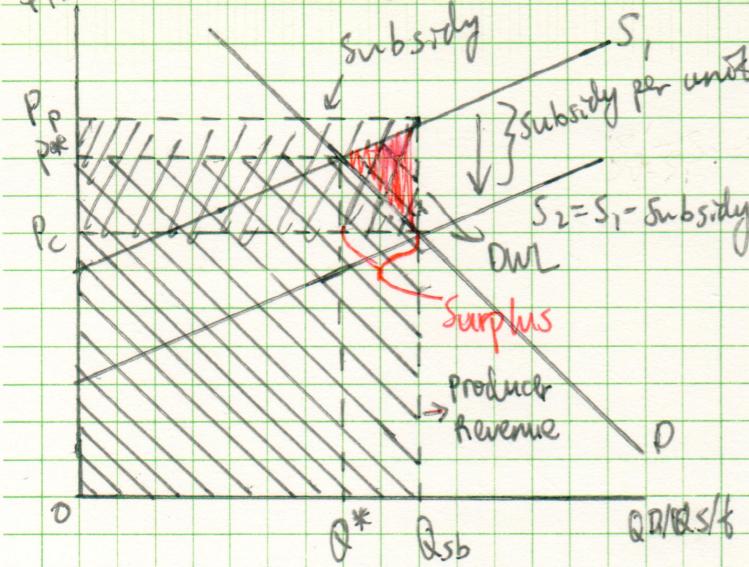
\$Price 1.3.3 Tax Incidence  $S_2 = S_1 + \text{Tax}$



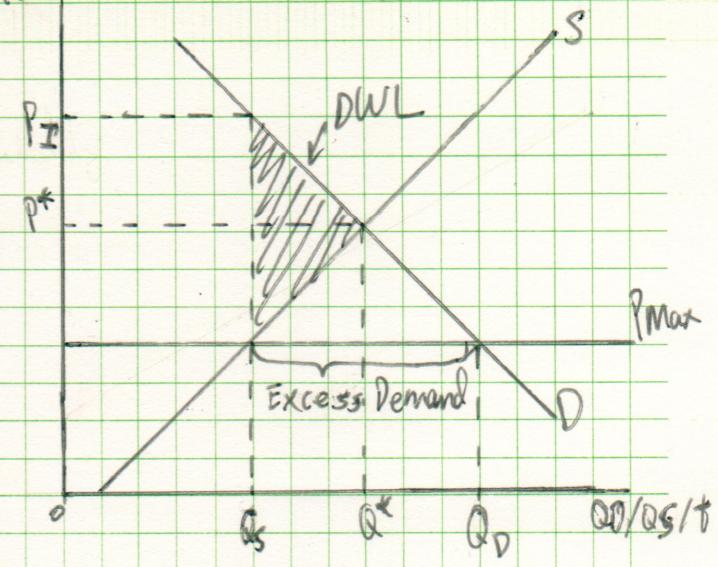
\$Price 1.3.3 Tax Incidence



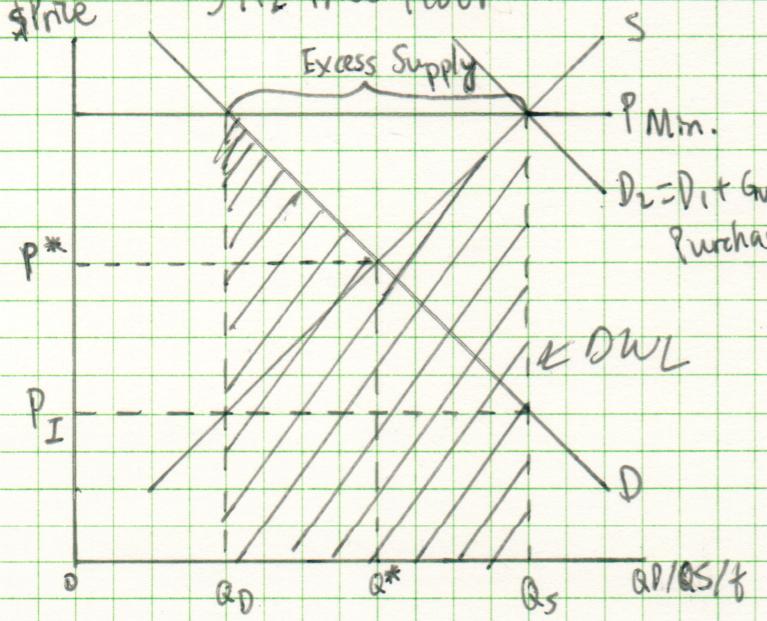
Price 1.3.10 Subsidy



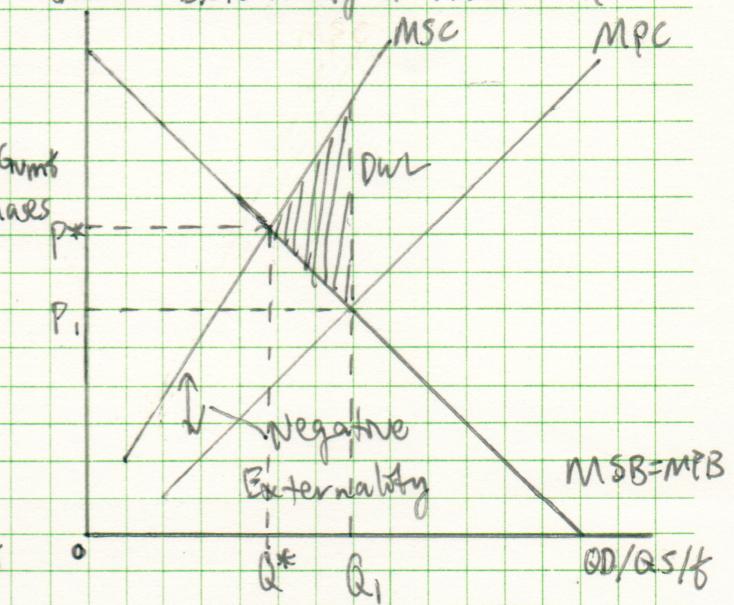
Price 1.3.11 Price Ceiling



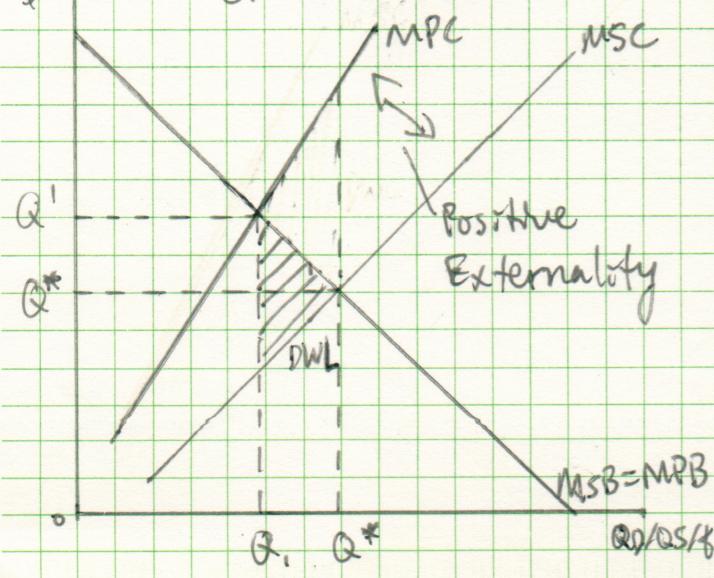
Price 1.3.12 Price Floor



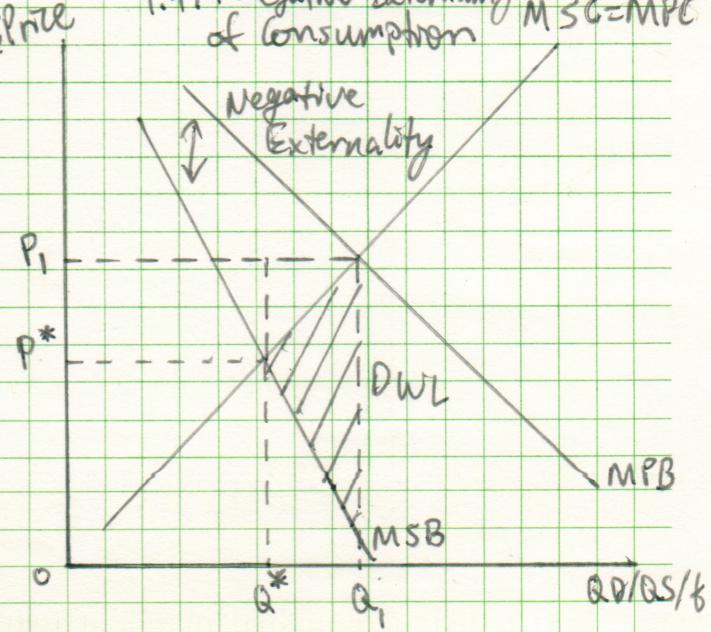
1.4.2 Negative Externalities of Production



Price 1.4.3 Positive Externalities of Production



1.4.4 Negative Externalities of Consumption

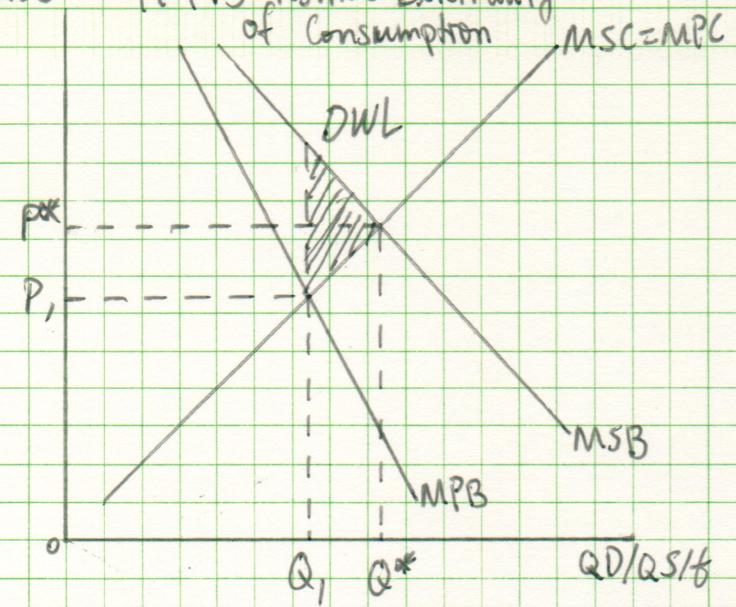


\$Prize

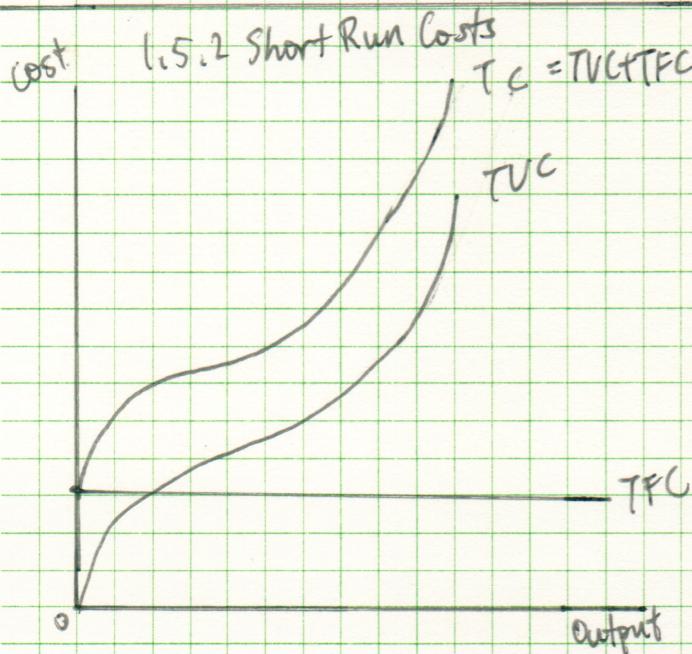
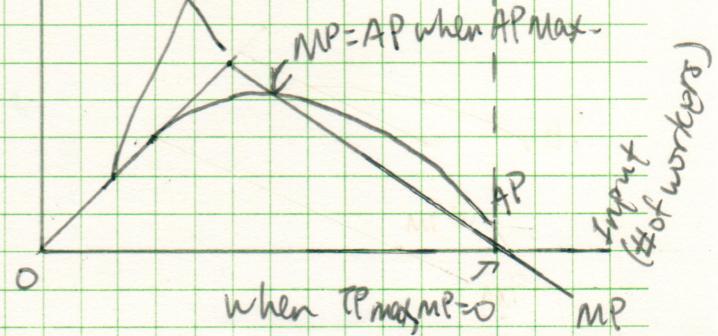
1.4.5 Positive Externality  
of Consumption

Product

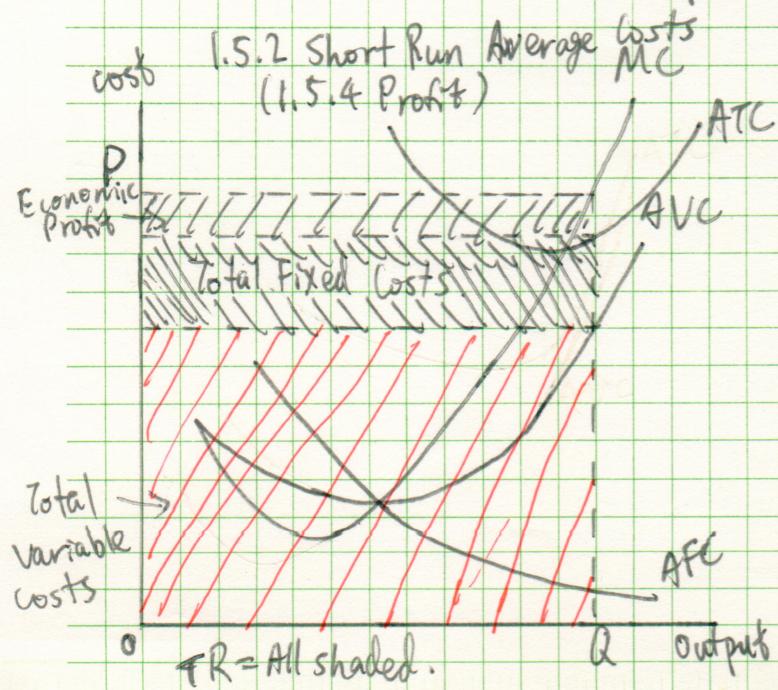
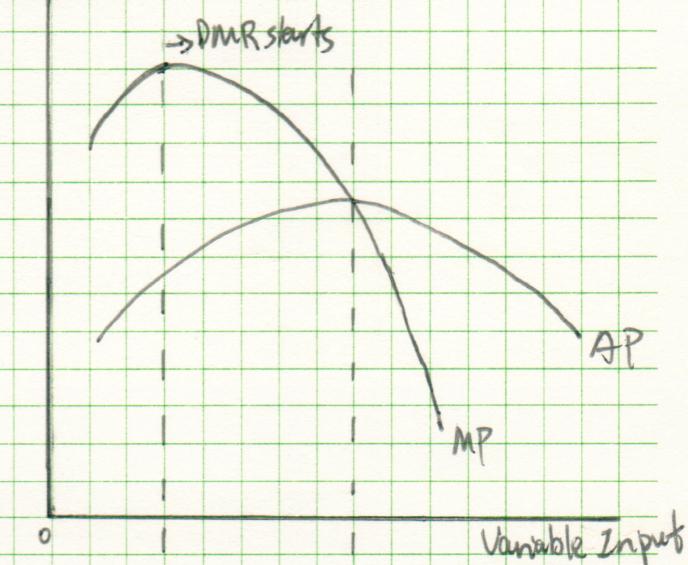
## 1.5.1 Production



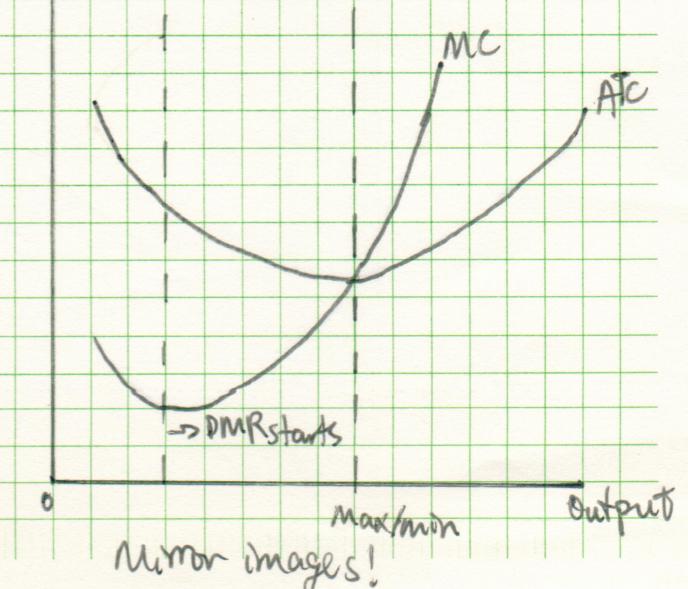
After  $MP_{\max}$ ,  
law of dim.  
returns sets  
in.



## 1.5.2 Product

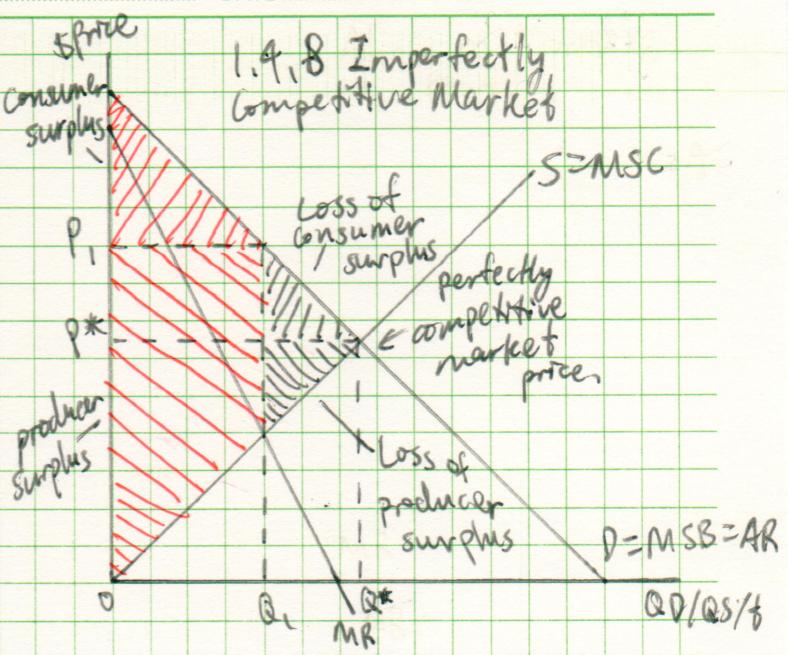
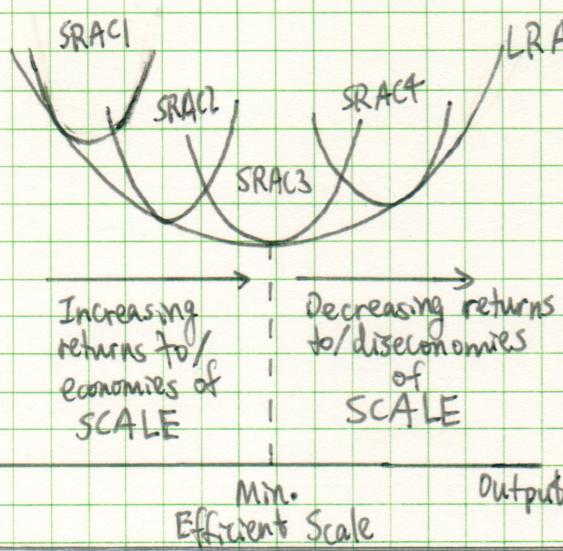


## 1.5.2 Cost

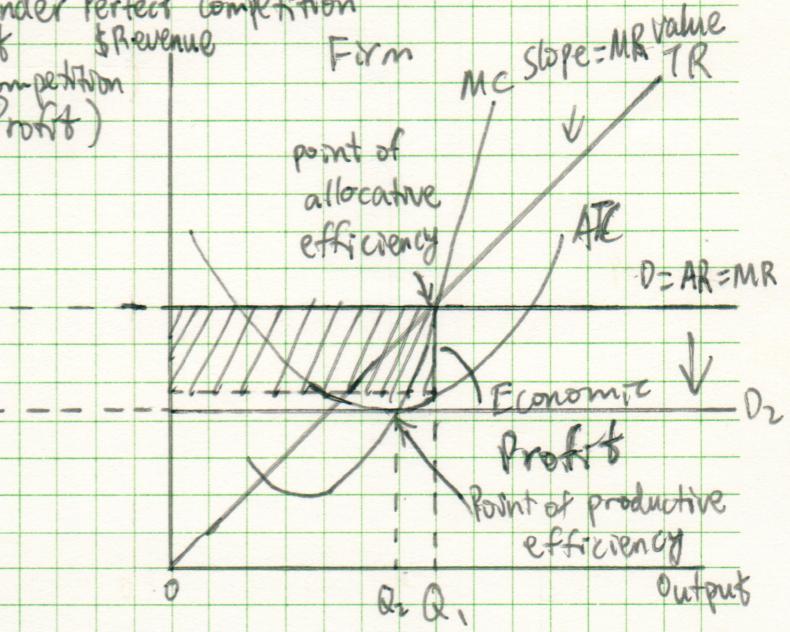
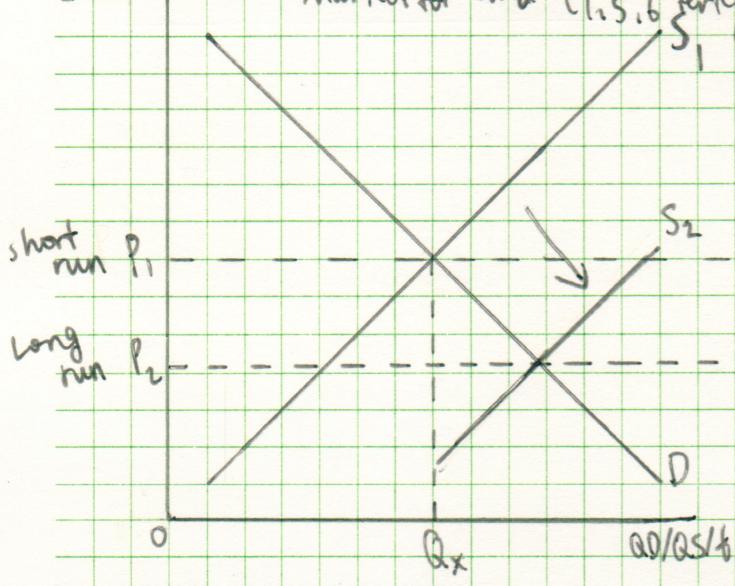


W05X

## 1.5.2 Long Run Costs



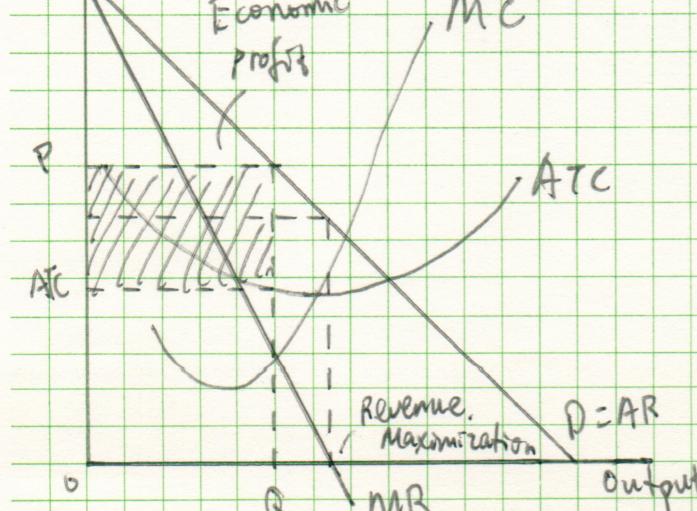
\$price

1.5.3 Revenues Under Perfect Competition  
Market for Good (1.5.6 perfect competition Profit)

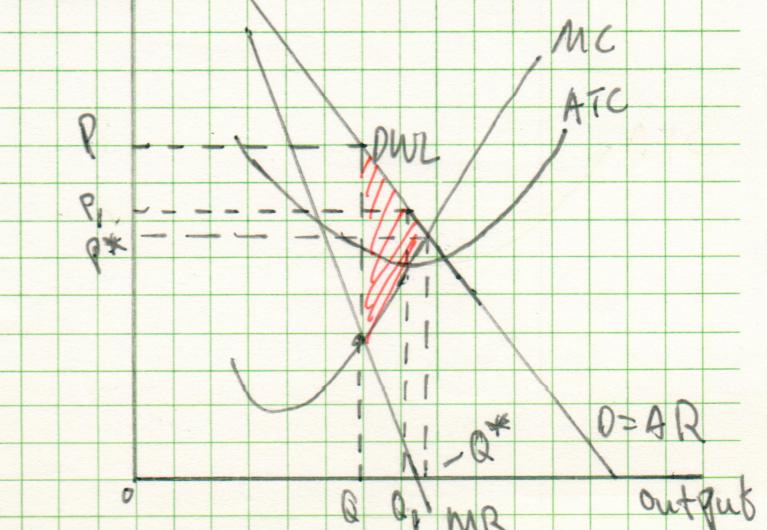
cost/revenue

1.5.7 Monopoly  
1.5.9 Collusive Oligopoly

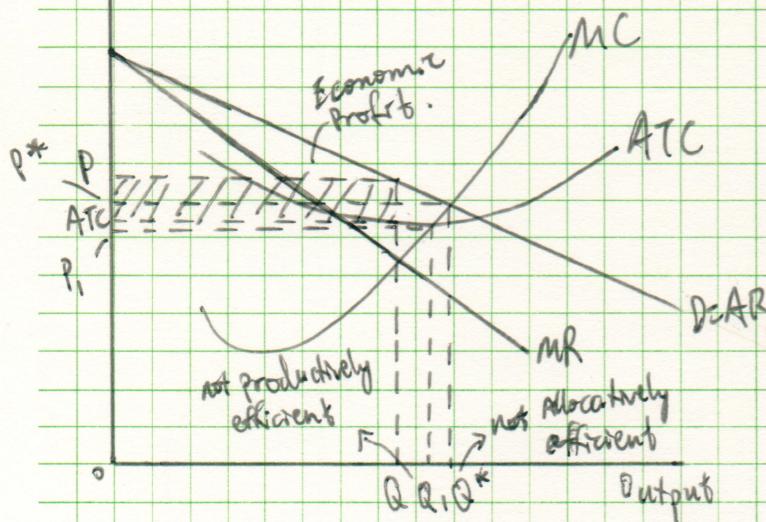
Economic profit



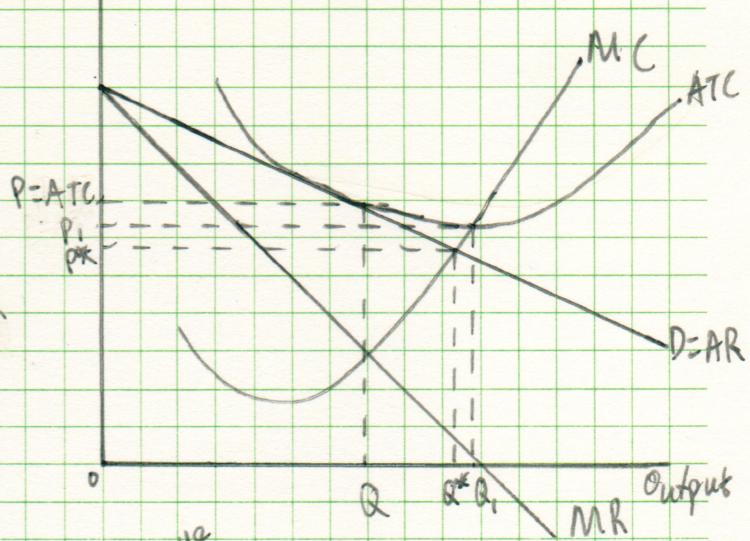
## 1.5.7 Monopoly Efficiency

P/Q - Profit Maximization P<sub>1</sub>/Q<sub>1</sub> - Productive Efficiency P<sup>\*</sup>/Q<sup>\*</sup> - Allocative Efficiency

Cost/Revenue

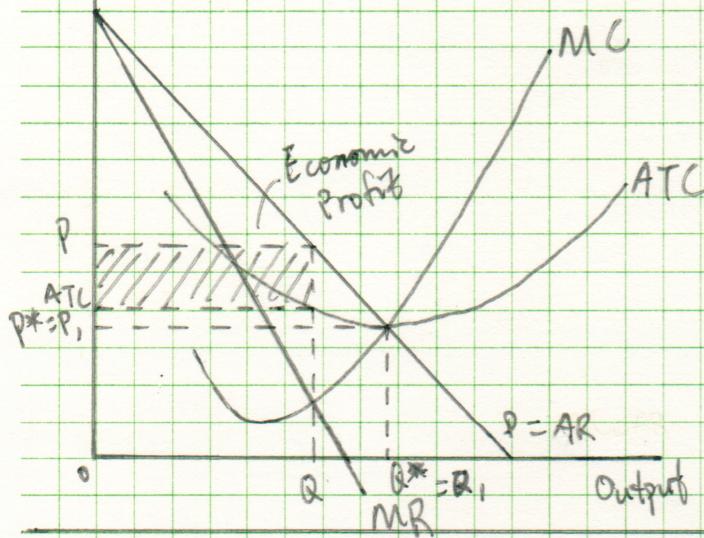
1.5.8 Monopolistic Competition  
Short Run

Cost/Revenue

1.5.8 Monopolistic Competition  
long Run

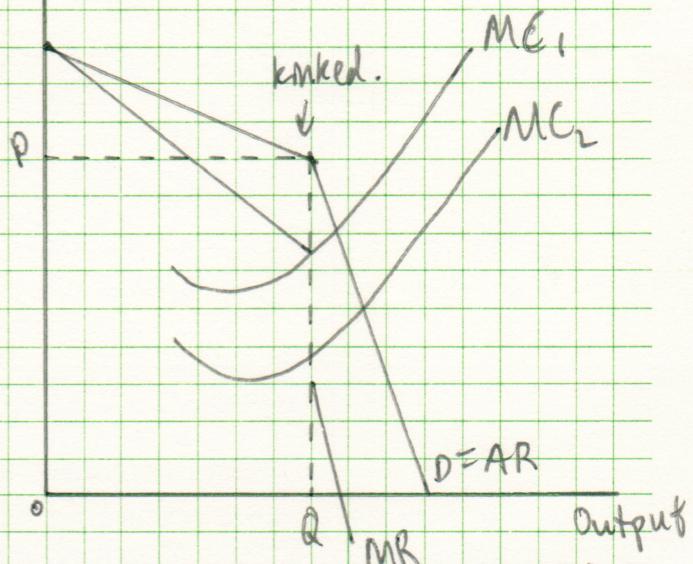
Cost/Revenue

## 1.5.8 Monopoly Long Run

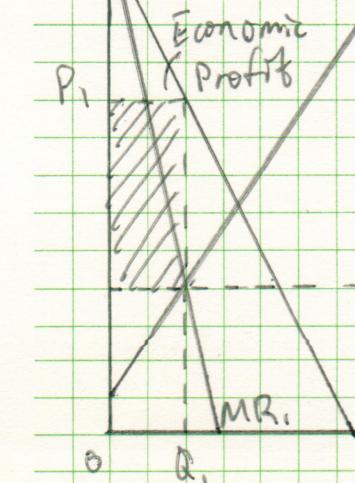


Cost/Revenue

## 1.5.9 Non-collusive Oligopoly



\$



G.F. 515

\$



\$



TMC