**Cournot competition**

Market equilibrium

Technological innovation

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| Iteration | Adjustment of firm 1 | Adjustment of firm 2 |
| 1 |  |  |
| 2 |  |  |
| 3 |  |  |
| 4 |  |  |
| 5 |  |  |
| … |  |  |

Diffusion of innovation