

Price, Revenue, and Costs (\$)

$$ar(x^m) = p^m$$

Economic  
profit

$$ac(x^m)$$
$$mc = c$$

Total costs

$$x^m$$

Quantity,  $x$

h

g

i

mr(x)

Profit maximum at  
 $mr = mc$

ac(x)

mc = c

ar(x)

