

Price, revenue and costs, (\$)

$$\bar{p} = 20$$

$$p^m = 11$$

$$p^c = c = 2$$

Compensation

Total costs

Consumer surplus

Consumer surplus  
gained from bargain

$$x^m = 18$$

$$x^c = 36$$

Quantity of output,  $X$

$mr(x)$

$p(x)$

$ac = mc = c$

