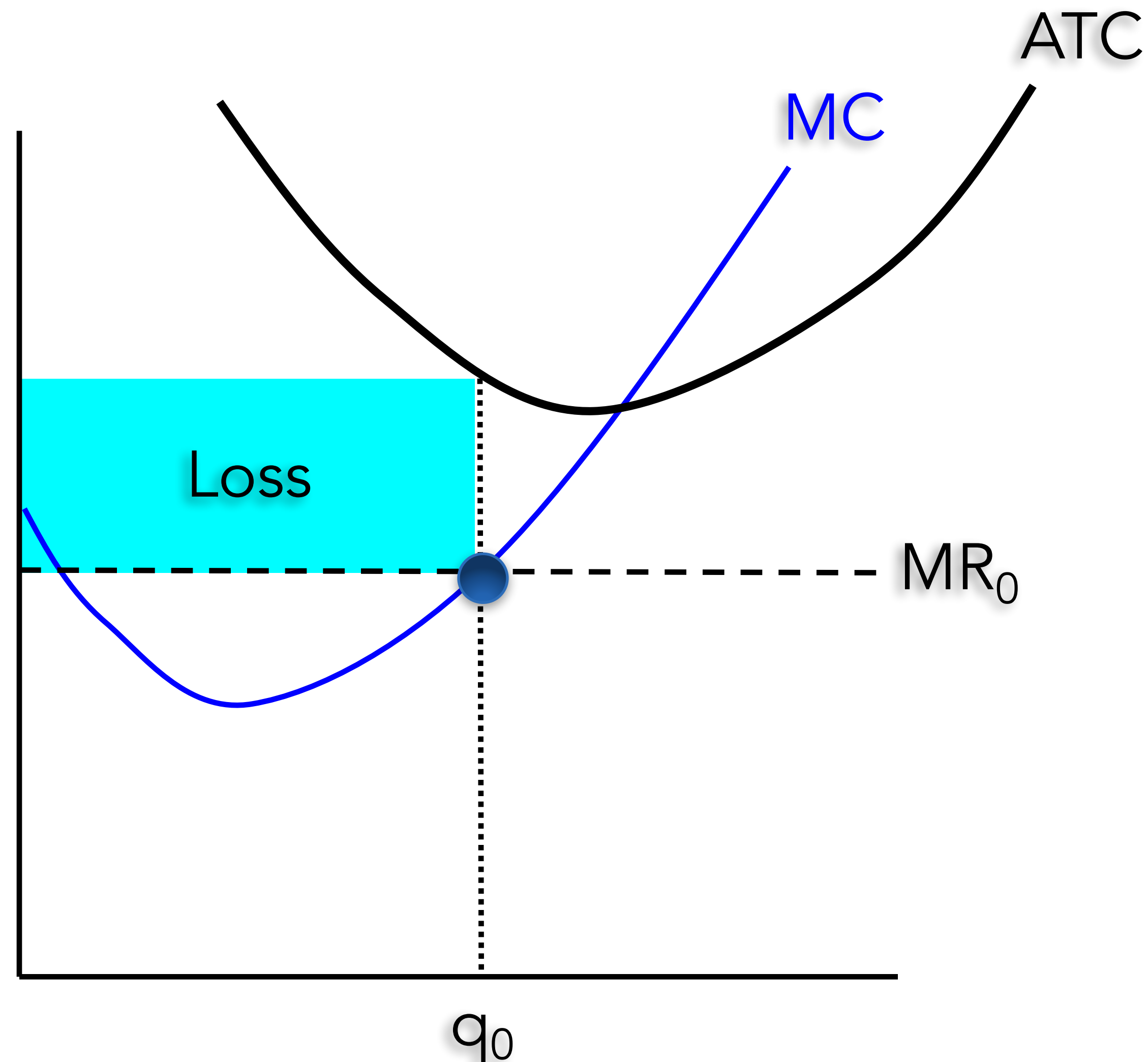


Firms have an incentive to **exit** the industry if there
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Firms maximize profit when choosing output
where $MC = MR$