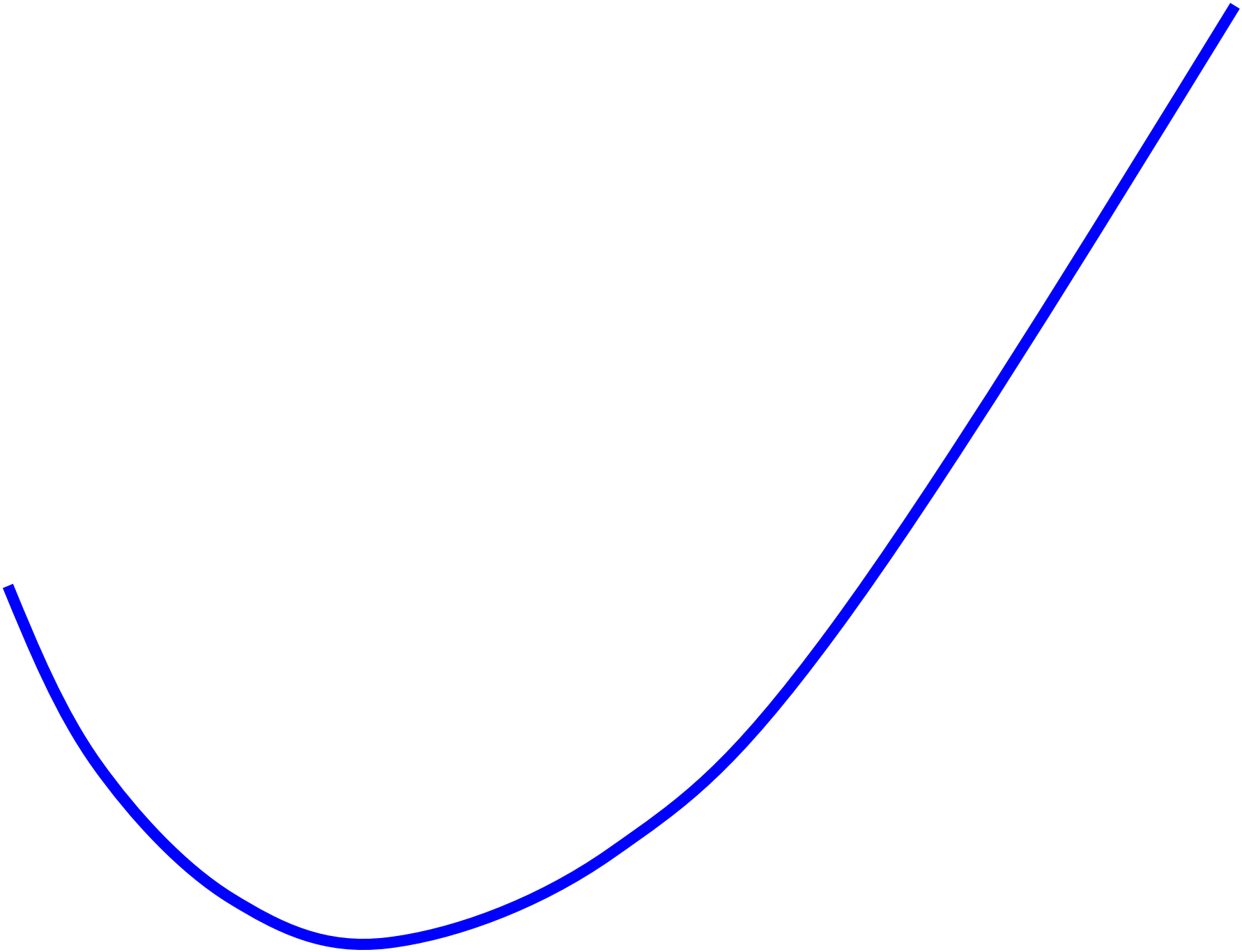
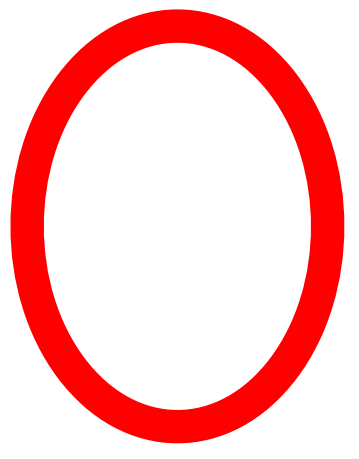


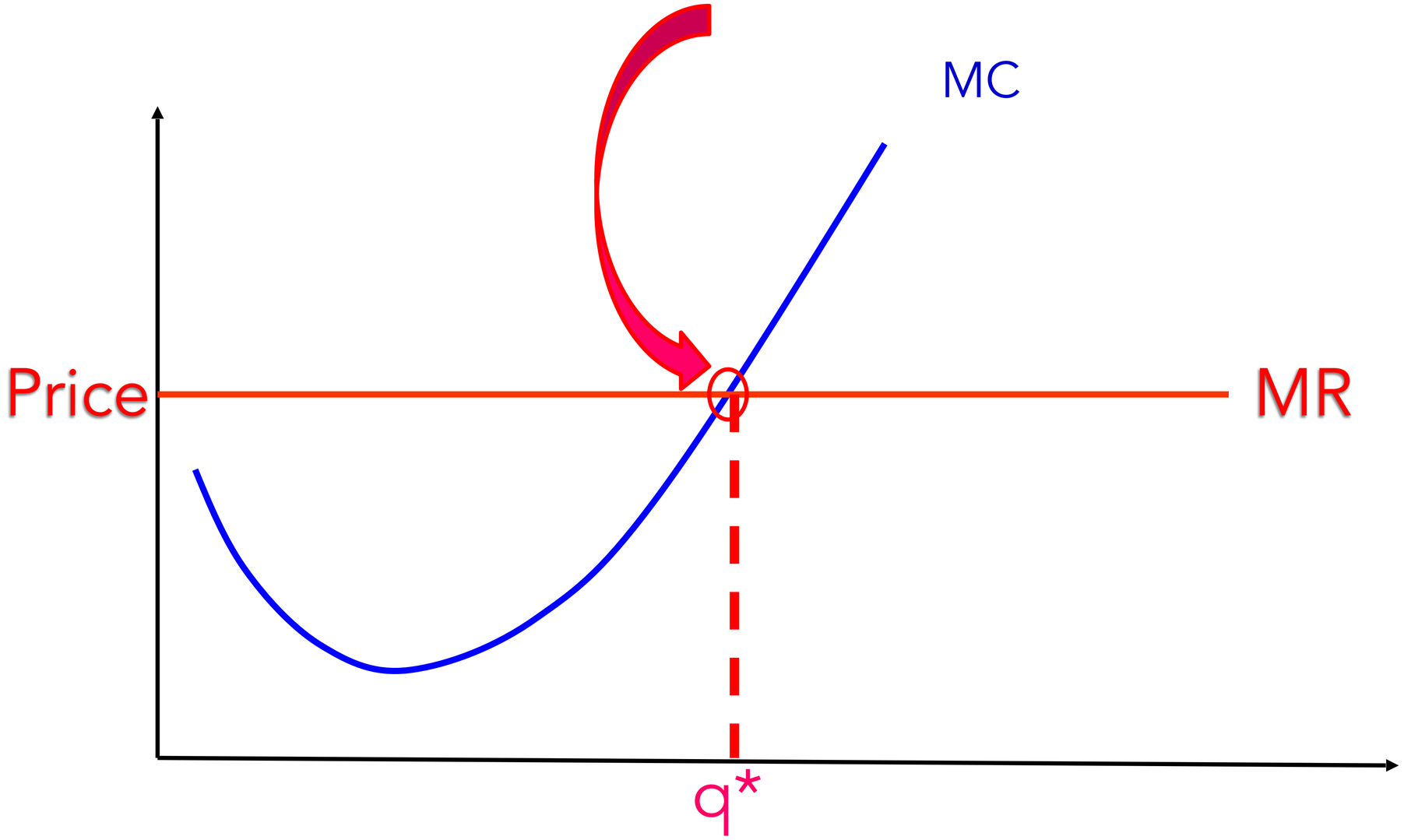
MC

MR

q*

Price



To Maximize Total Profit, Perfectly Competitive firms choose output where MC = MR

To Maximize Total Profit, Perfectly Competitive firms choose output where MC = MR