# Long Run Equilibrium Condition: In equation form

MC = MR = P = SRATC = LRATC

#### For firms to be maximizing Profit

#### For firms to be earning zero Profit/Loss

#### For firms to be using the plant that minimizes the LRATC

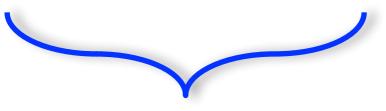
#### So firms would not change output

#### So there is no entry and no exit

#### So firms would not want to change the

plant size

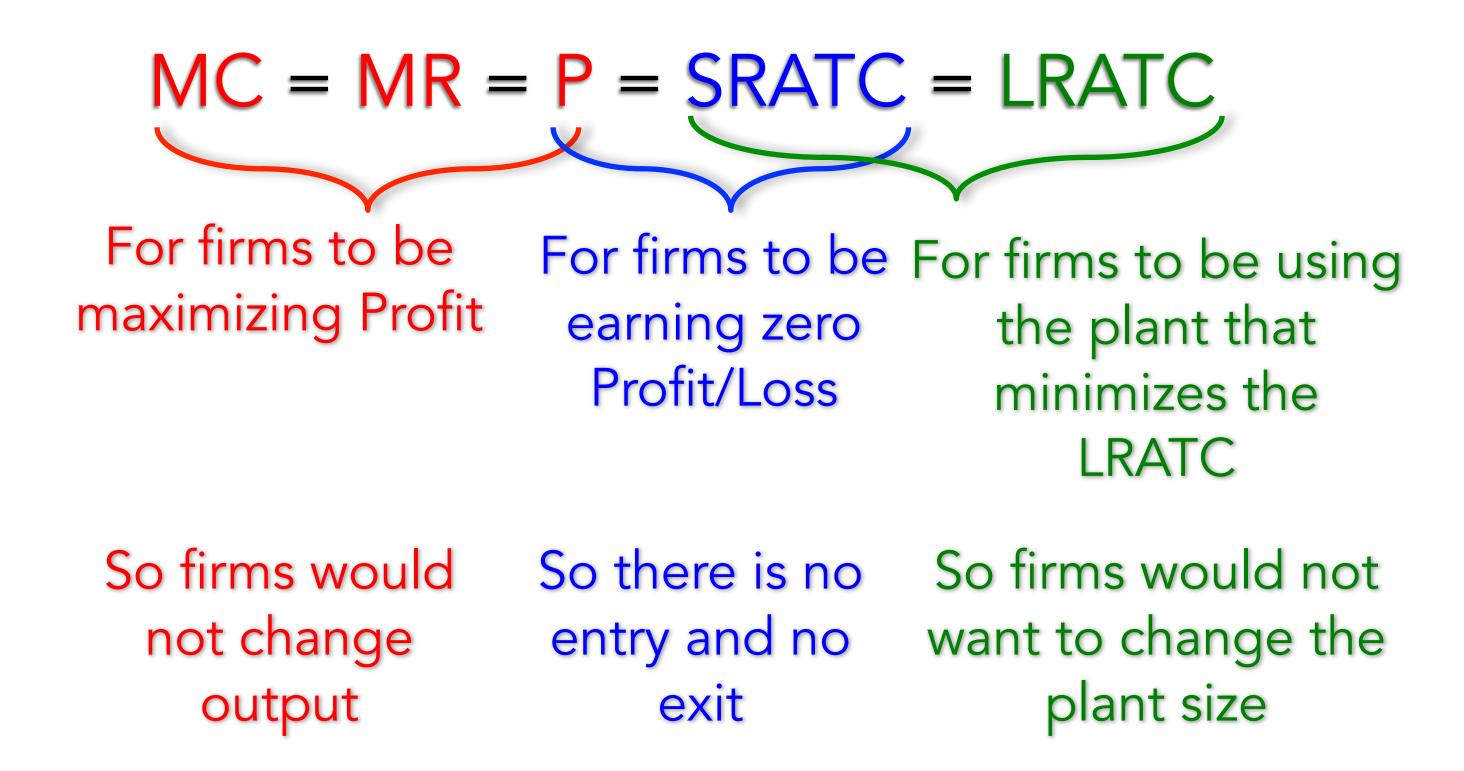






## In long run equilibrium there is no reason for firms to enter, exit, change output or change the plant size

### Long Run Equilibrium Condition: In equation form



In long run equilibrium there is no reason for firms to enter, exit, change output or change the plant size

# Long Run Equilibrium Condition: In graphic form

