

In Perfectly Competitive Markets

There are so many producers that producers have no
power to set the price consumers pay

A large, solid blue arrow pointing to the right, centered on a white background. The arrow has a thick body and a sharp point. Inside the arrow, the text "We say that" is written in a black, sans-serif font.

We say that

Producers are price takers

Producers do not set prices

Producers "react" to prices

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Producers do not set prices

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Price per unit

Supply

