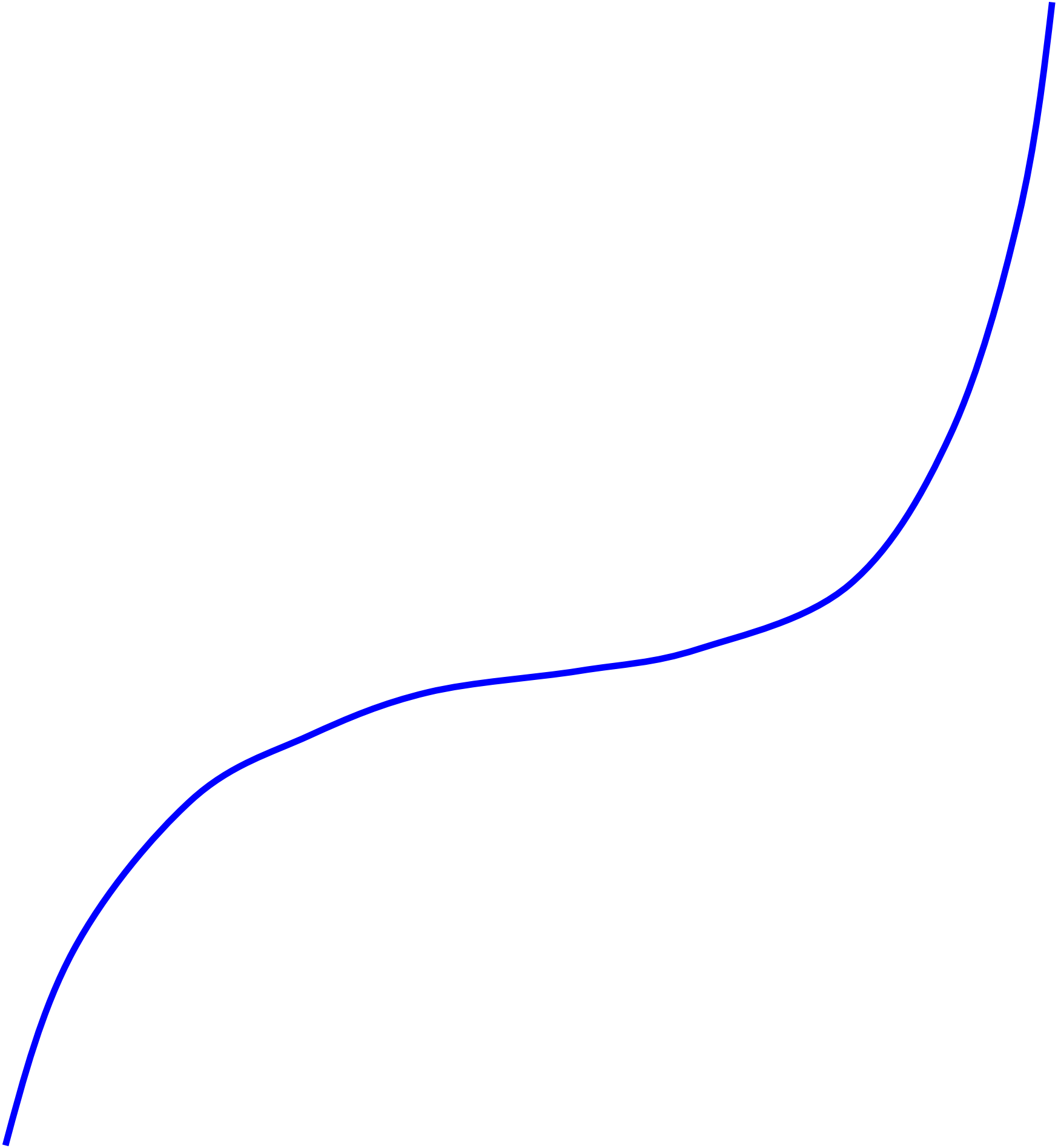
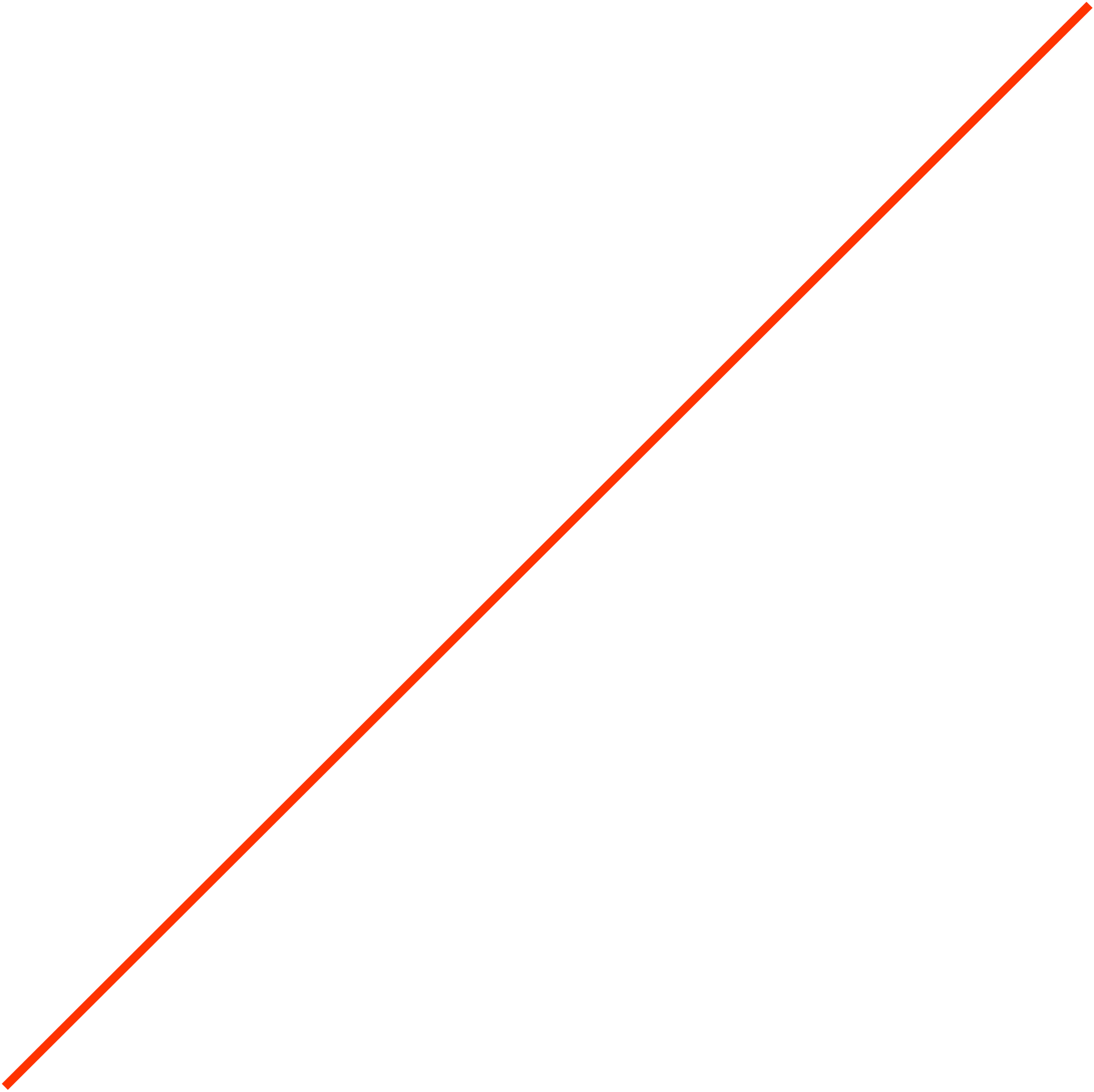
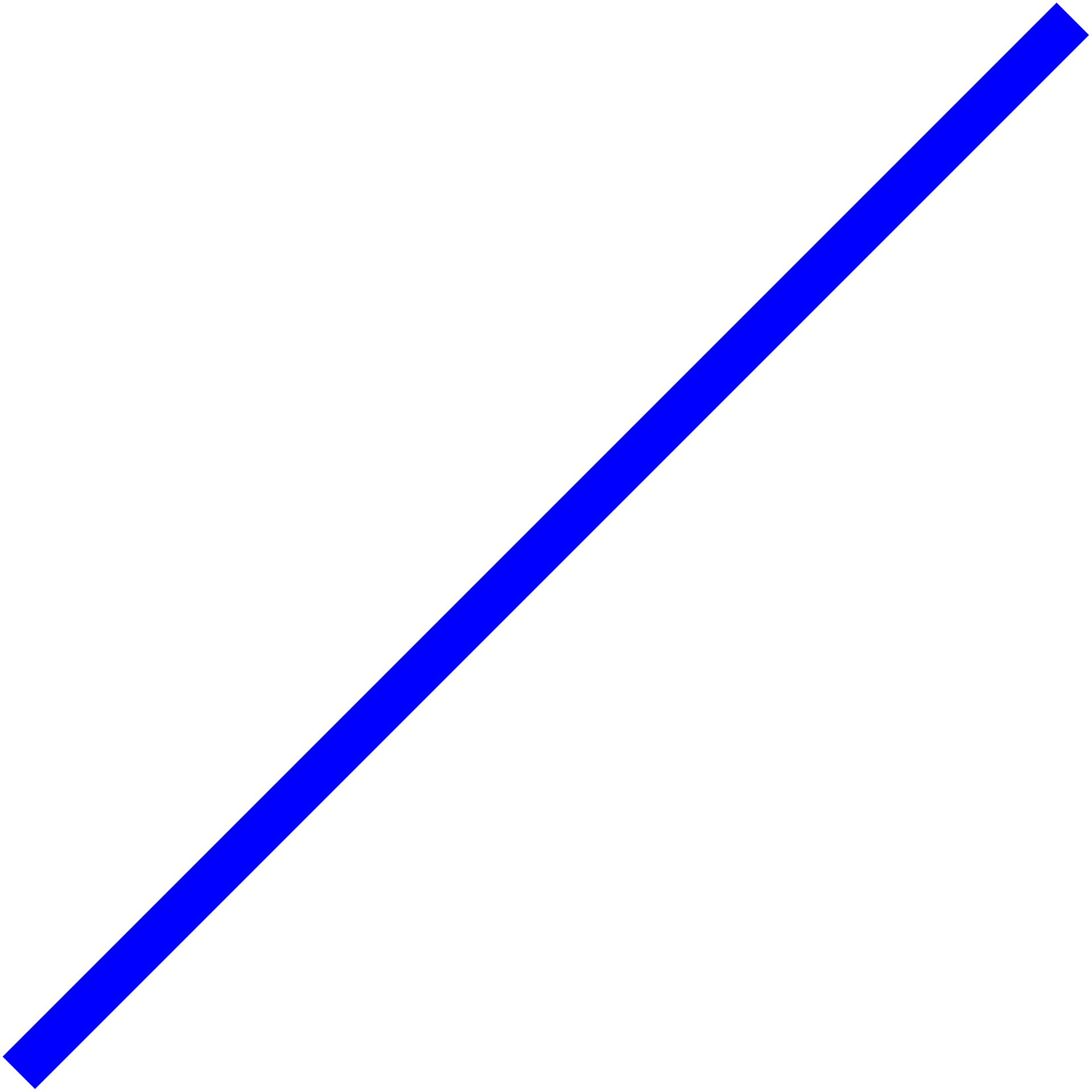




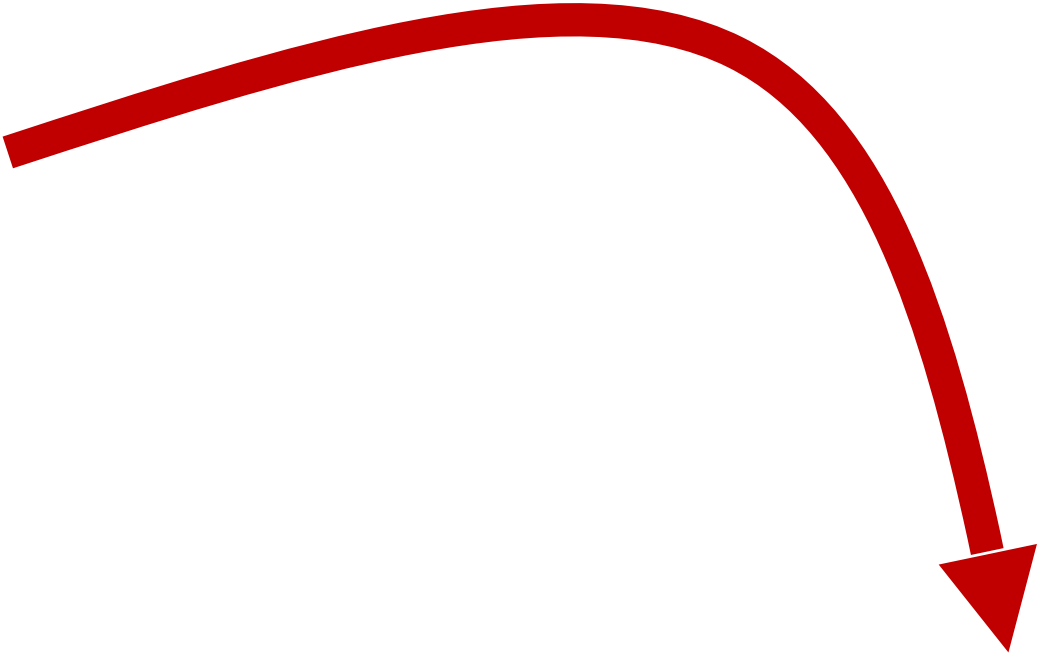


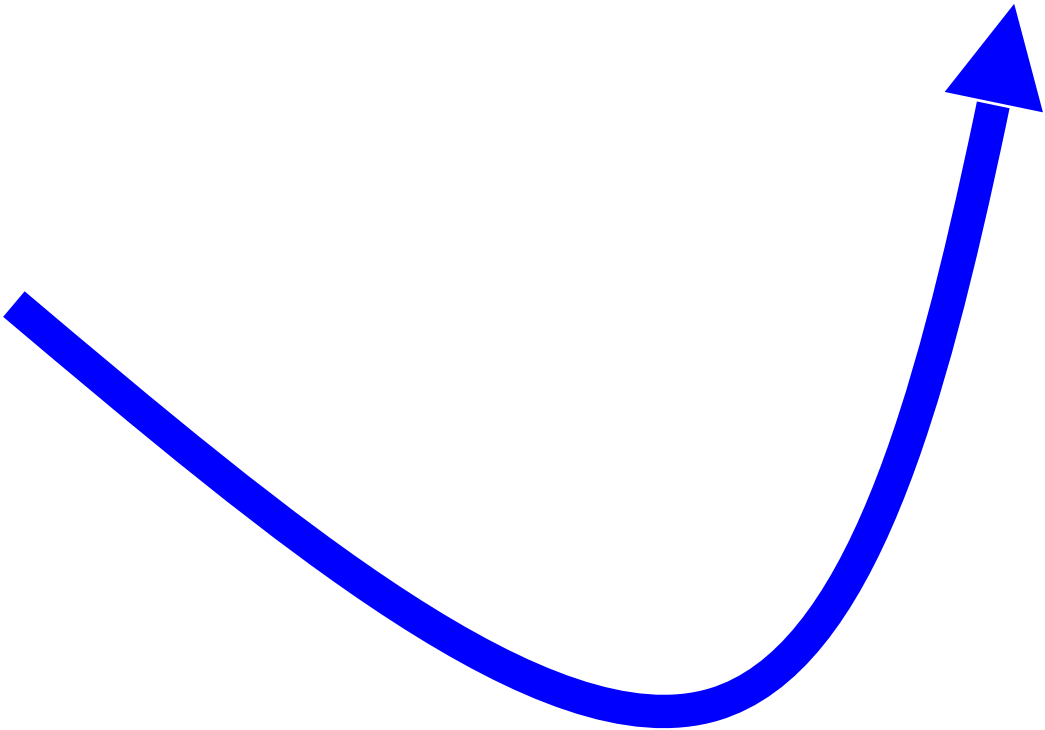
TR

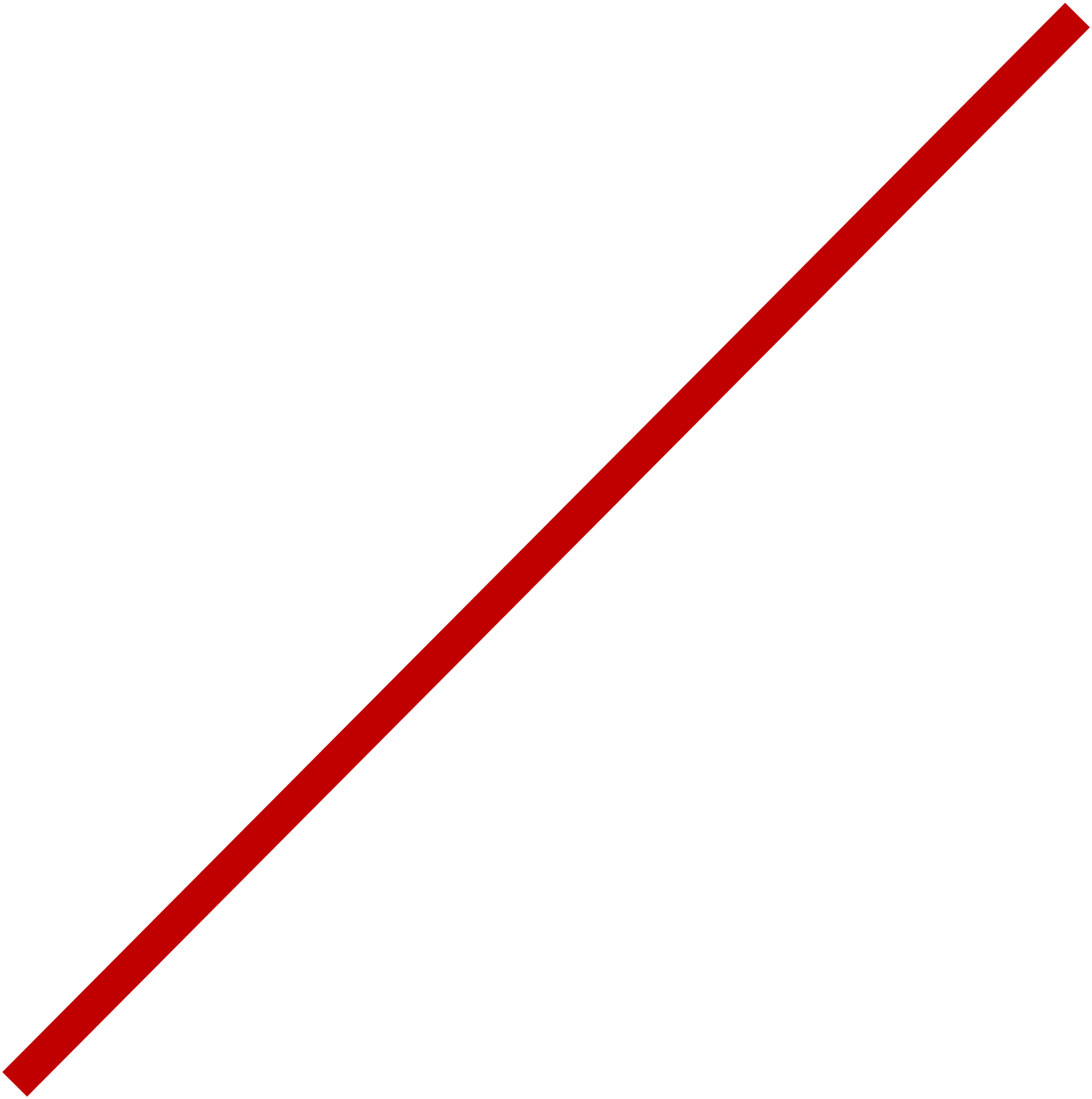
TC

Slope = MC

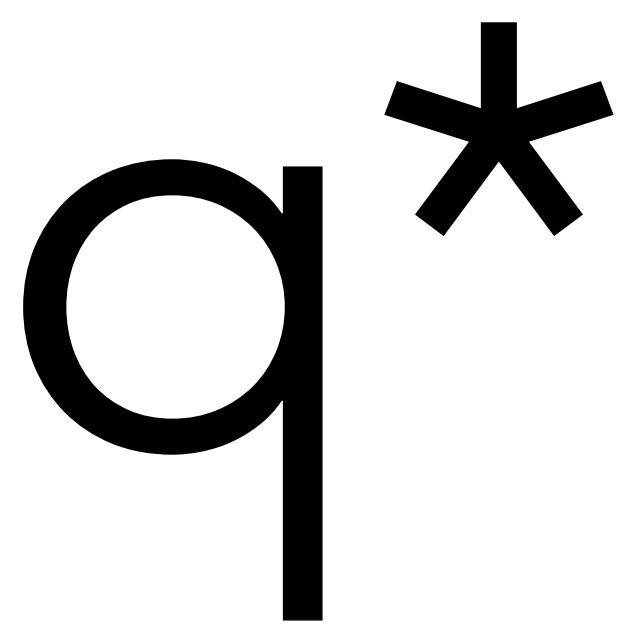
Slope = MR







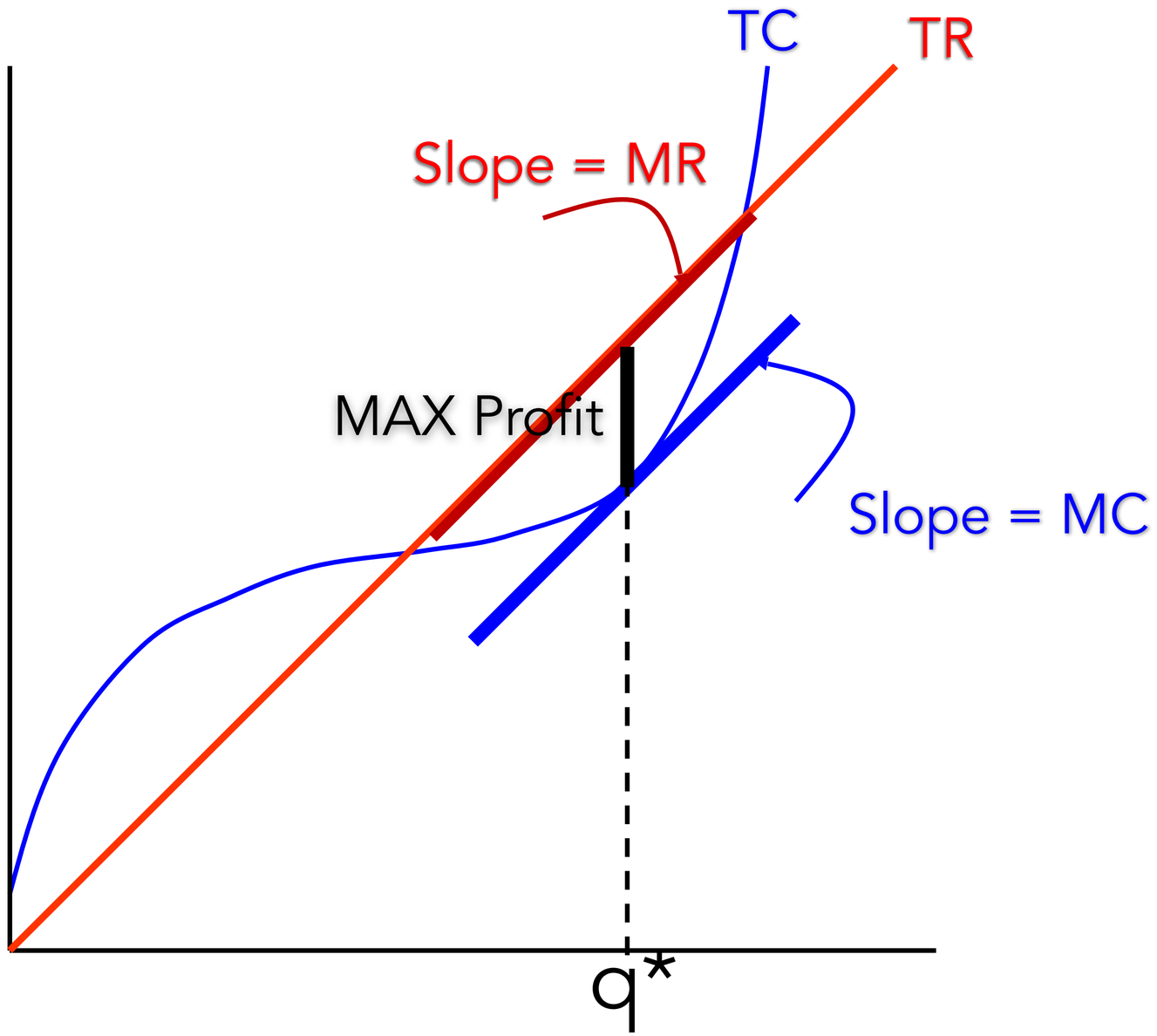
MAX Profit

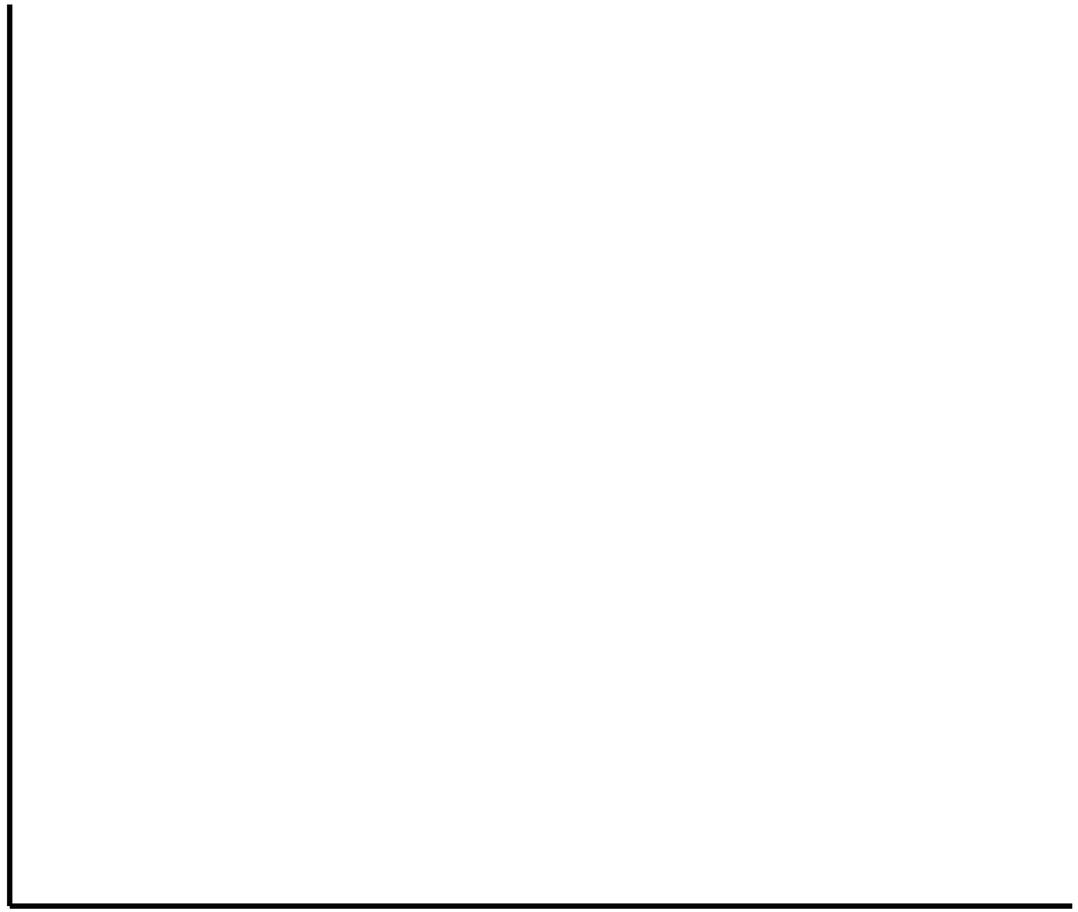

q*

Perfectly Competitive firms choose output to maximize profit

Perfectly Competitive firms choose output where MC = MR

Perfectly Competitive firms choose output where MC = MR



Perfectly Competitive firms choose output to maximize profit

Perfectly Competitive firms choose output where MC = MR