Q	P	MC	ATC
0			
100	1.4		2
200	1.07	0.5	1.5
300	0.92	0.46	0.75
400	0.8	0.44	0.67
500	0.66	0.43	0.65
600	0.5	0.5	0.5
700	0.3	0.59	1

Q	P
0	
100	1.4
200	1.07
300	0.92
400	0.8
500	0.66
600	0.5
700	0.3

MC	ATC
	2
0.5	1.5
0.46	0.75
0.44	0.67
0.43	0.65
0.5	0.5
0.59	1

Q	P	MC	ATC
0			
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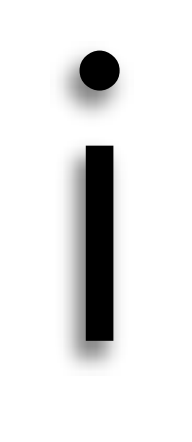
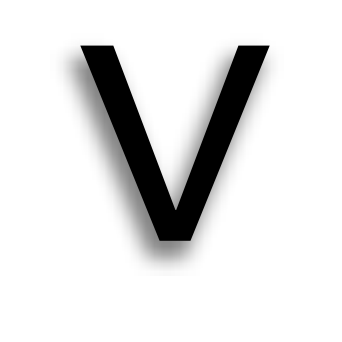
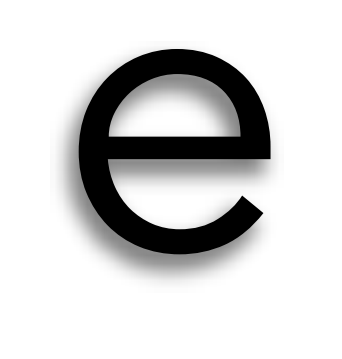
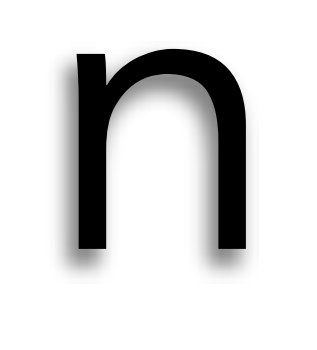
500	0.66	0.43	0.65
600	0.5	0.5	0.5
700	0.3	0.59	1





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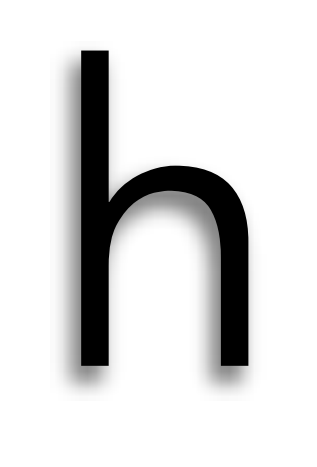

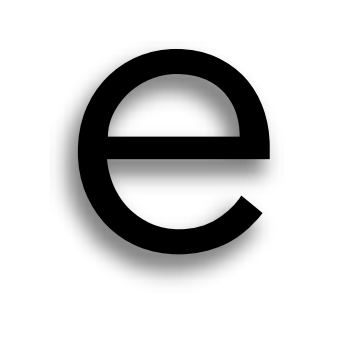

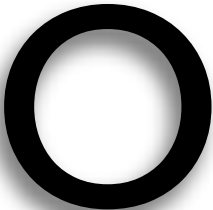

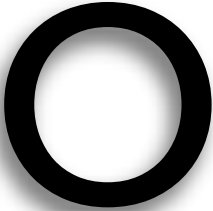

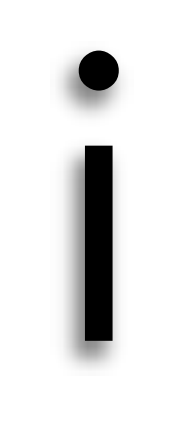

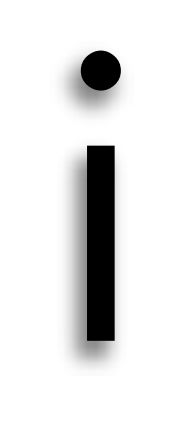

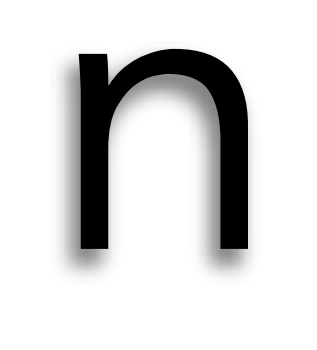
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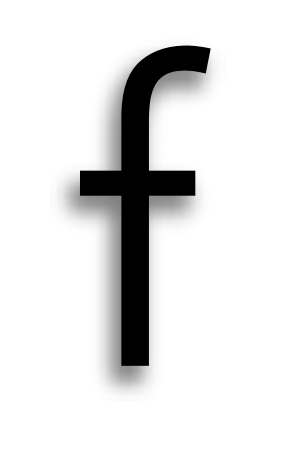

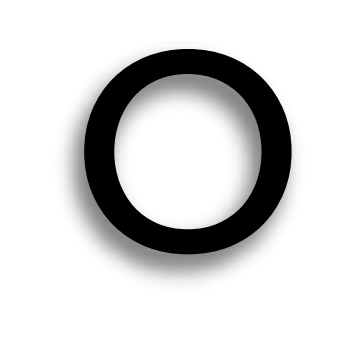

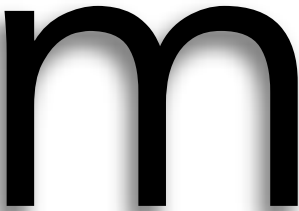

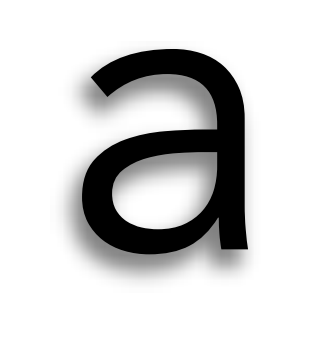
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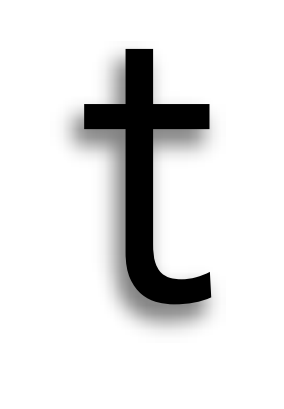

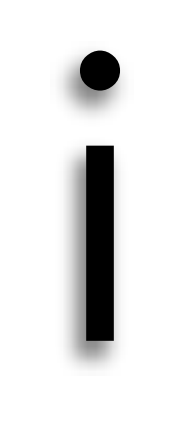

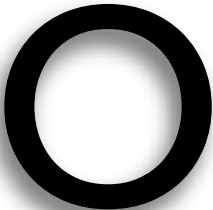

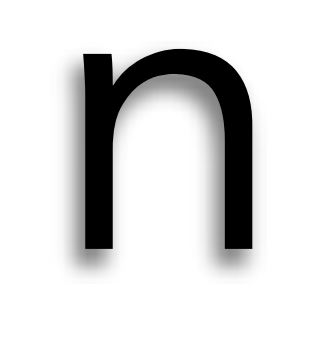
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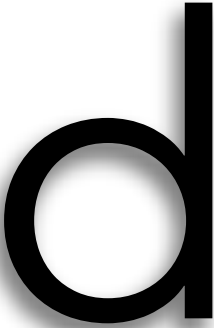

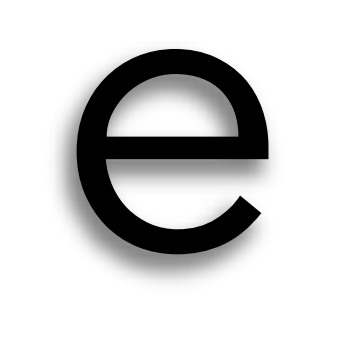

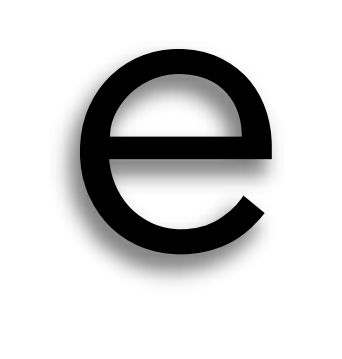

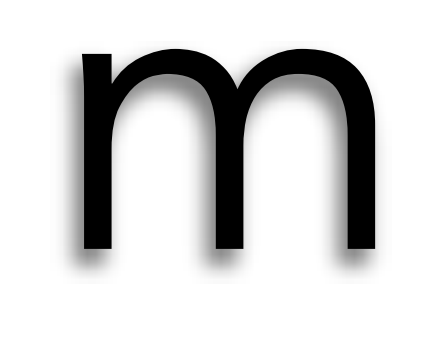

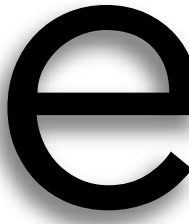

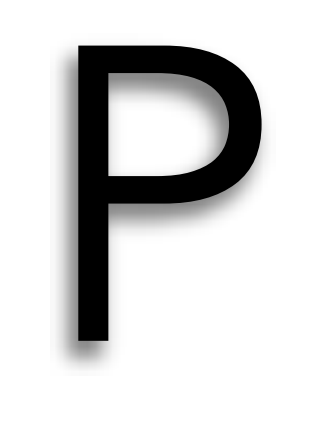

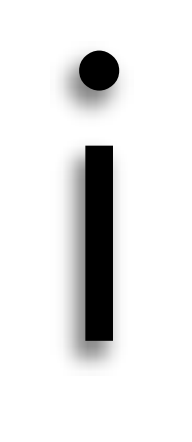

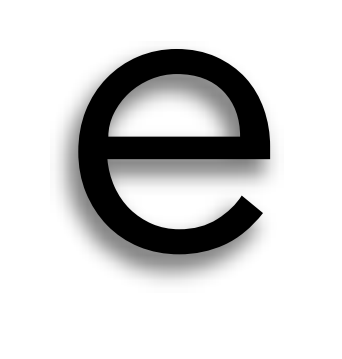

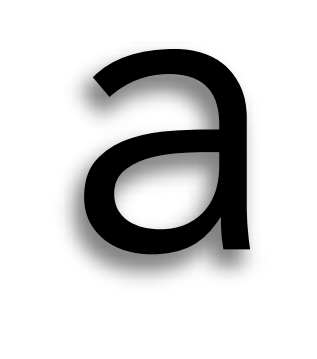
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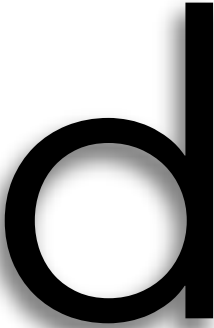

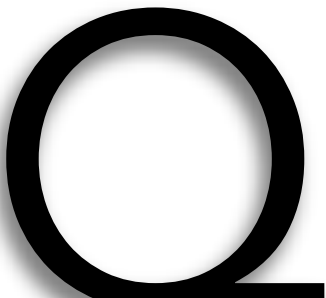

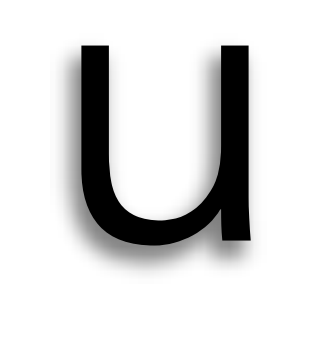

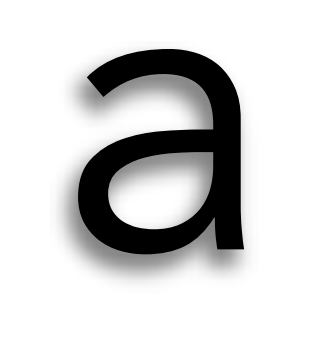

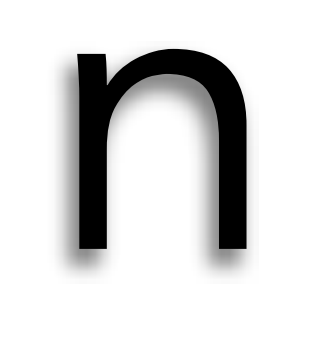
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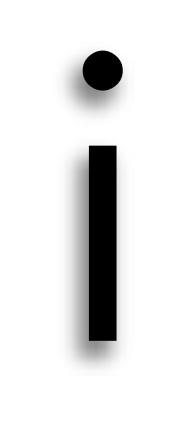

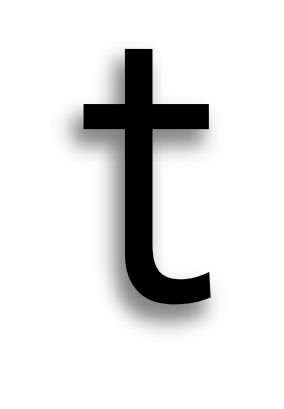

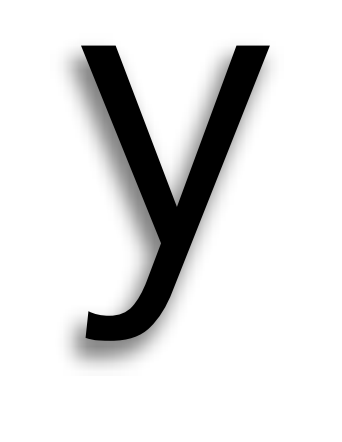

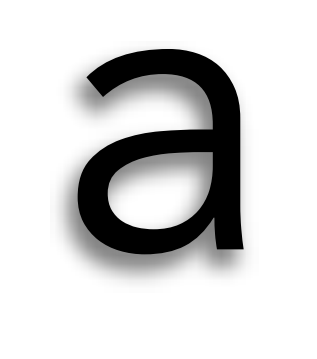

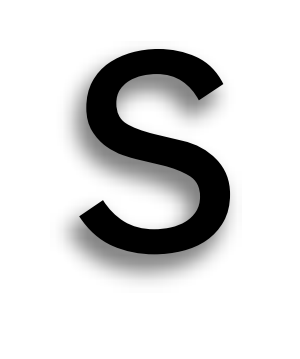

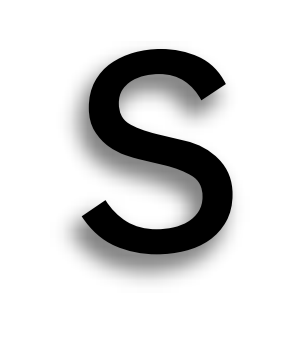
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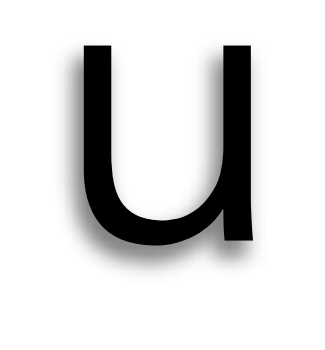

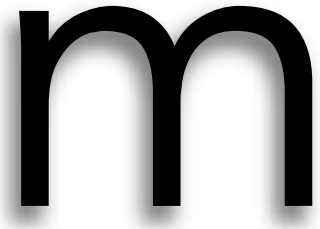

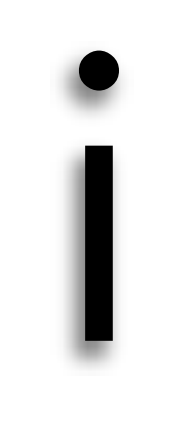

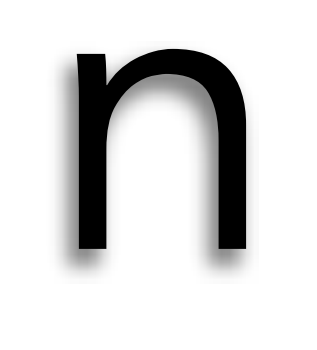
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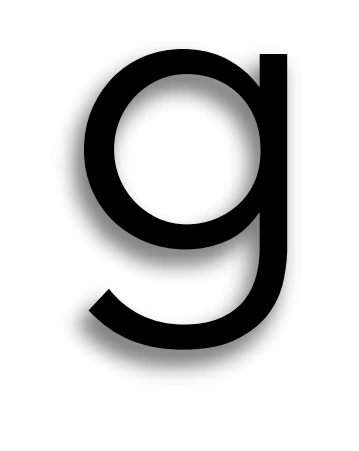

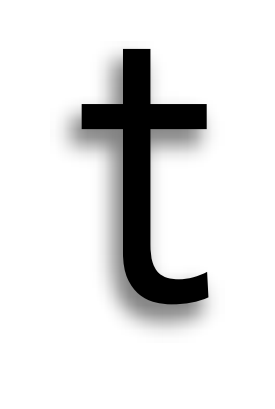

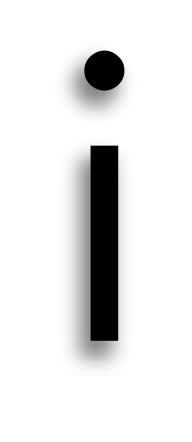

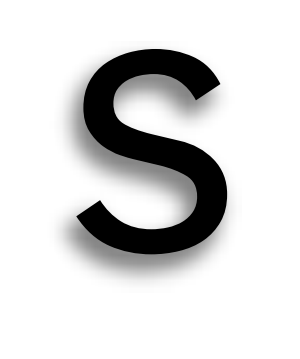

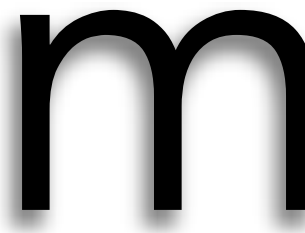

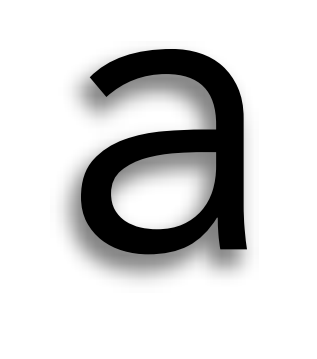
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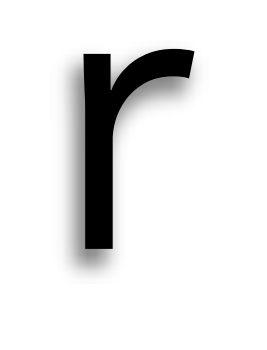

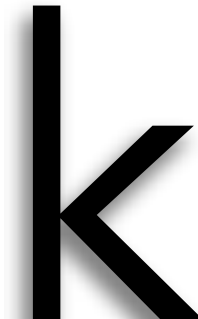

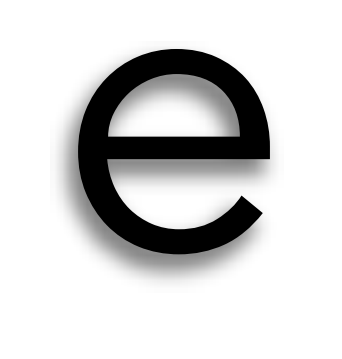

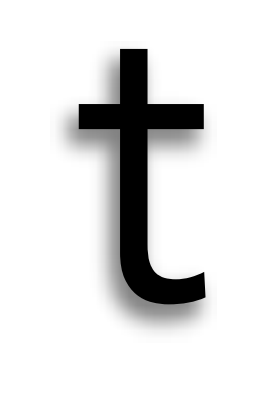

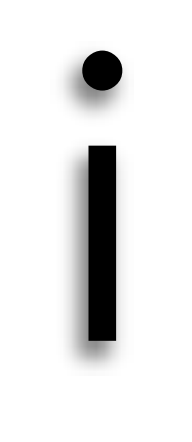

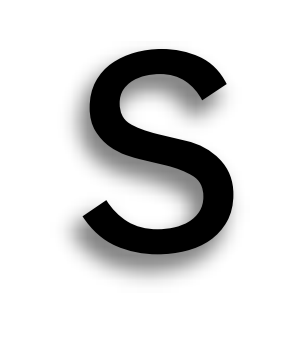
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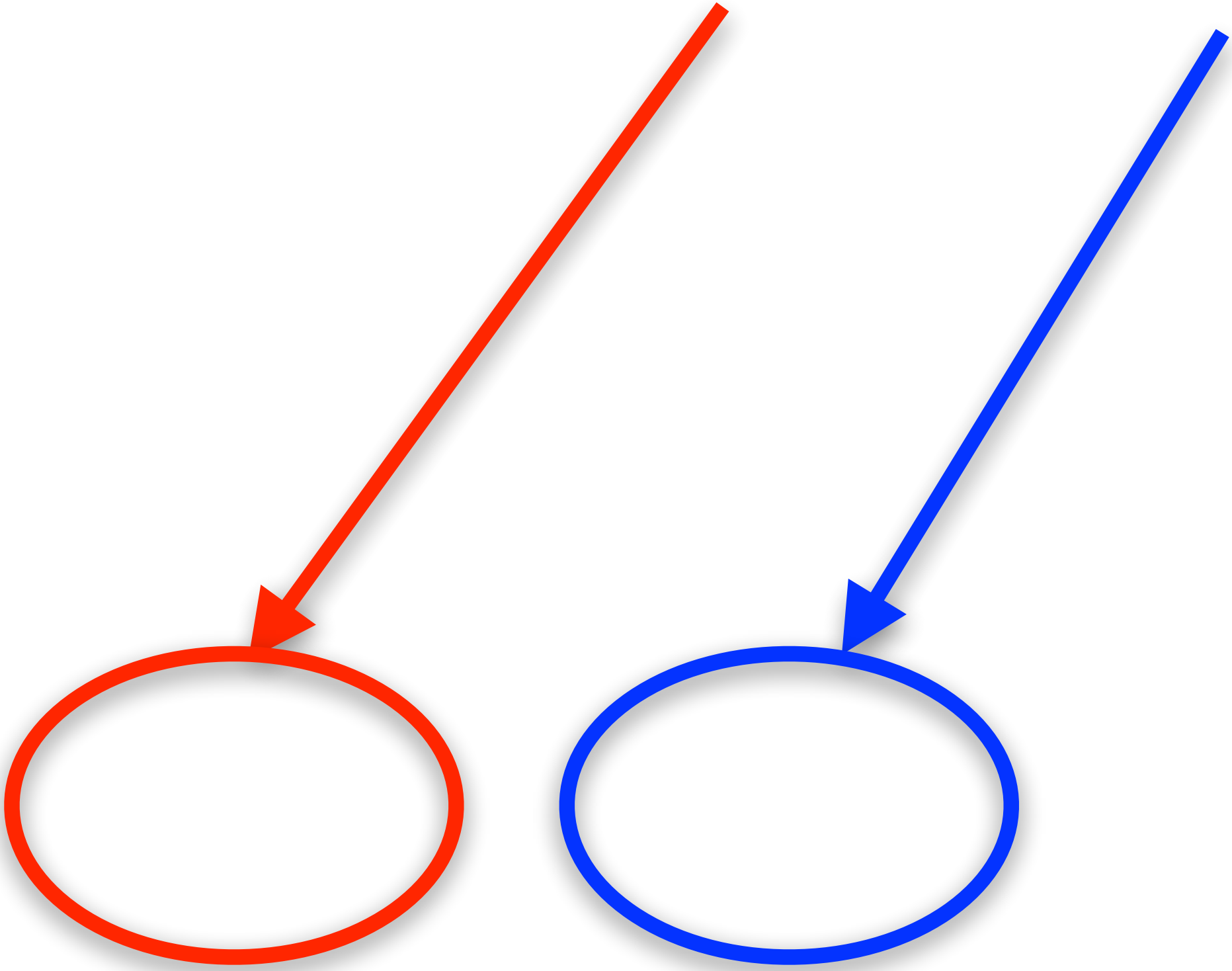
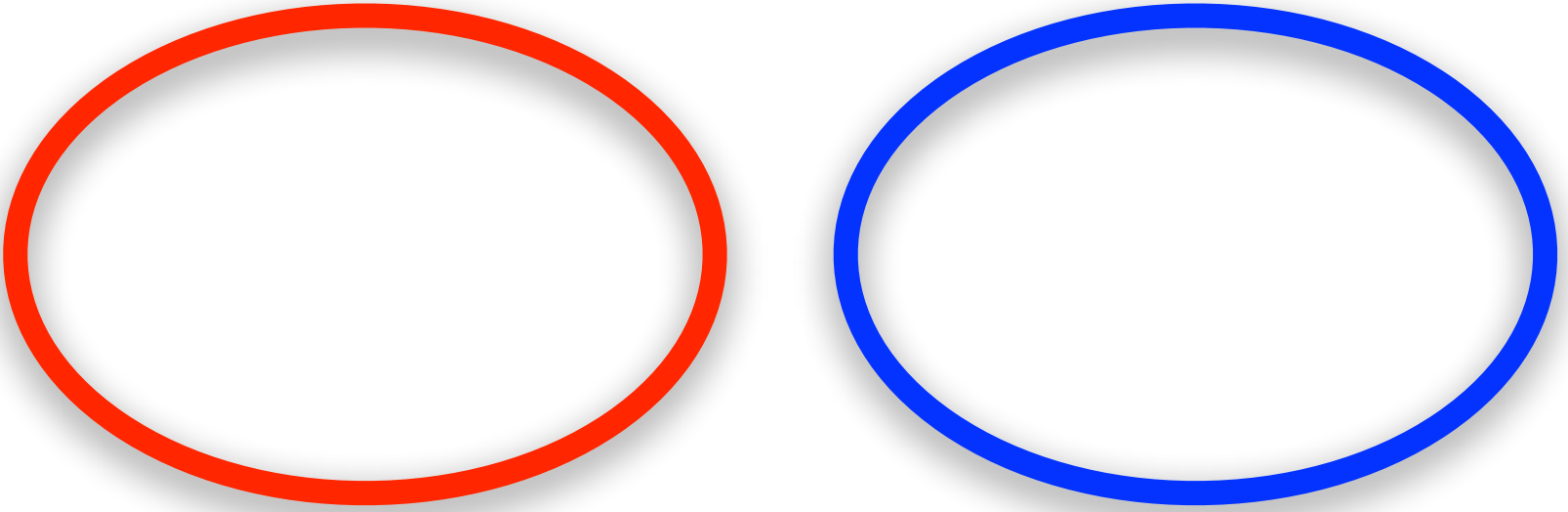
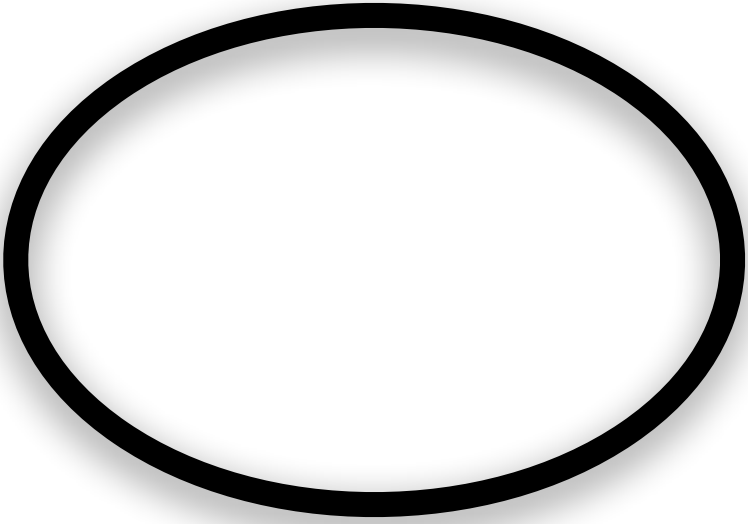
Perfectly Competitive firms choose output (Q) where MR (= P) = MC





If the Market is Perfectly Competitive

$P = \$0.5; Q = 600$

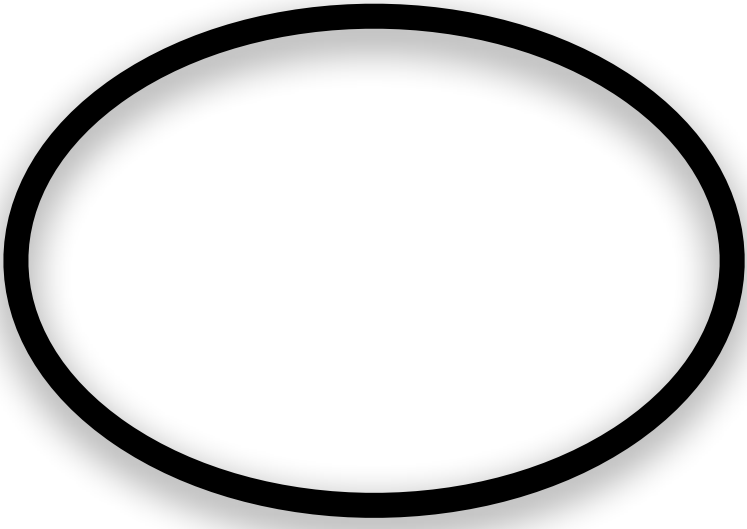


Perfectly Competitive

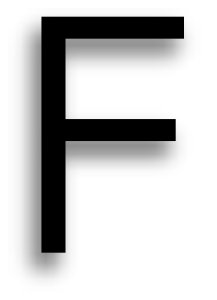
Monopolies choose output (Q) where MR (= ΔTR/ΔQ)= MC

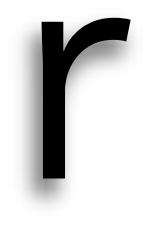
If the Market is a Monopoly

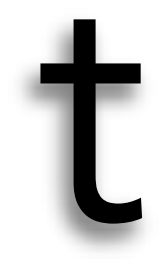
$P = \$0.8; Q = 400$



Monopoly





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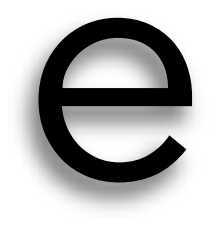

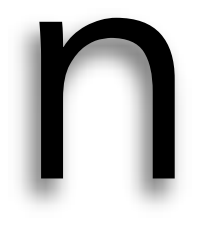

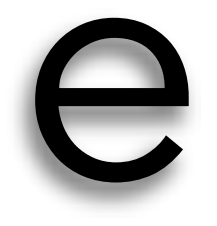

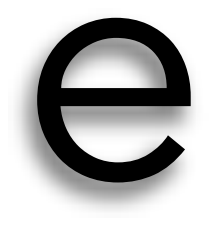

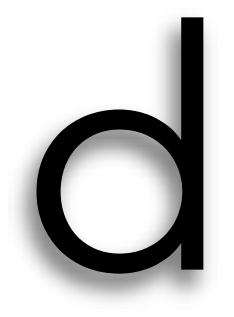

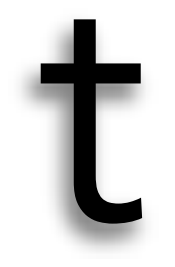

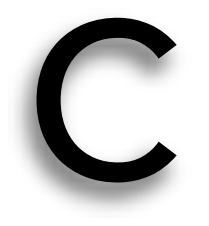


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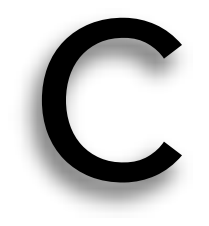
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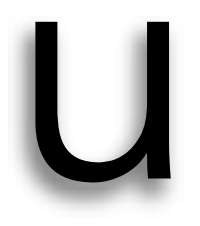


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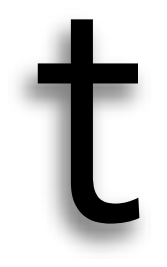
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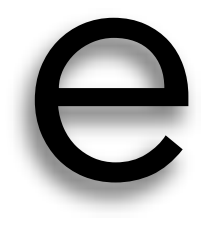
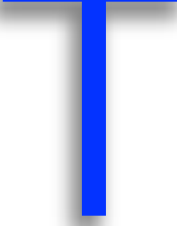
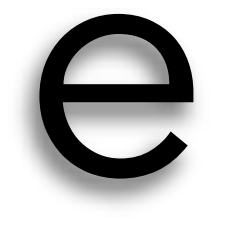
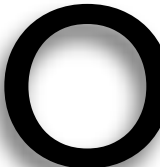
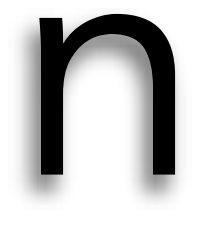


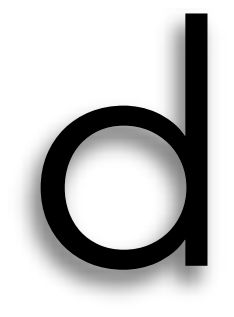


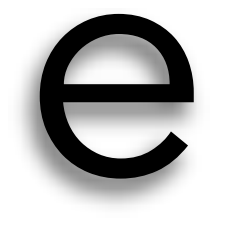
TR
0
140
214
276
320
330
300
210

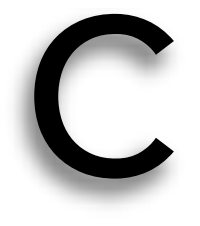








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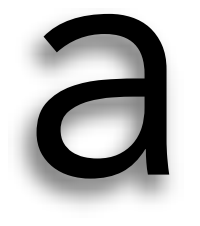
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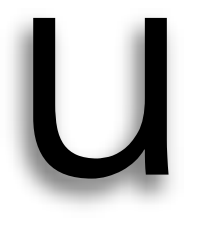


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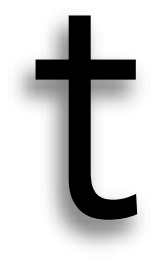
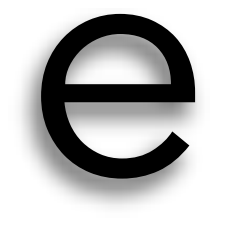
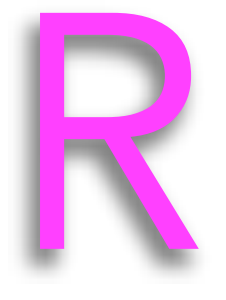
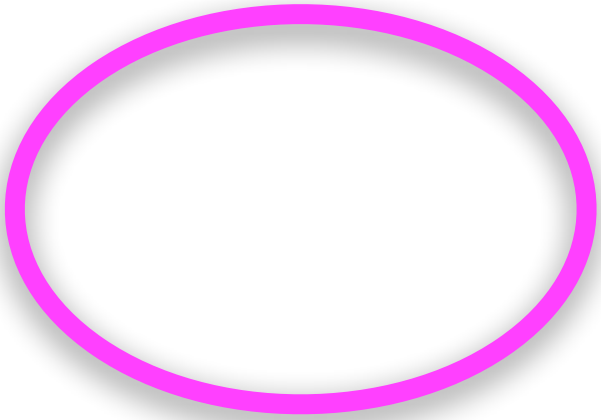
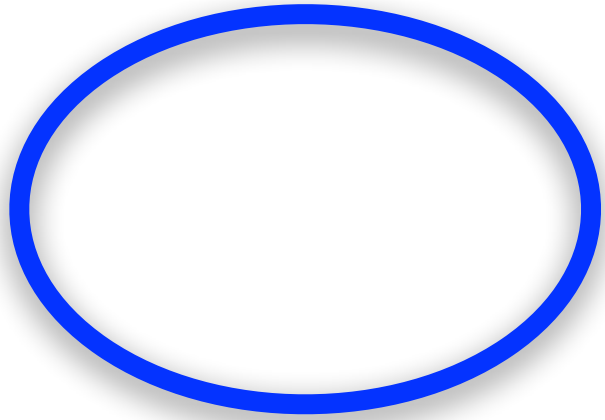


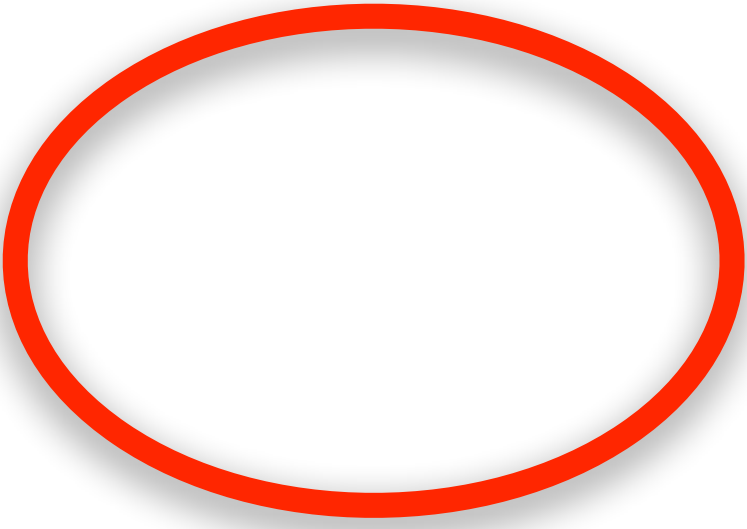




$MR=\Delta TR/\Delta Q$
1.4
0.74
0.62
0.44
0.1
-0.3
-0.9

Monopolies produce less output and charge higher prices



Given the following information, determine Price and Quantity assuming this market is

First, we need to calculate TR:

Second, we calculate MR:

Monopolies produce less output and charge higher prices

Perfectly Competitive

Perfectly Competitive firms choose output (Q) where MR (= P) = MC

If the Market is Perfectly Competitive

P = $0.5; Q = 600

Q	P	MC	ATC
0			
100	1.4		2
200	1.07	0.5	1.5
300	0.92	0.46	0.75
400	0.8	0.44	0.67
500	0.66	0.43	0.65
600	0.5	0.5	0.5
700	0.3	0.59	1

Monopoly

If the Market is a Monopoly

P = $0.8; Q = 400

Monopolies choose output (Q) where MR (= ΔTR/ΔQ)= MC

First, we need to calculate TR:

Second, we calculate MR:

Q	P	TR	MR=ΔTR/ΔQ	=	MC	ATC
0		0				
100	1.4	140	1.4			2
200	1.07	214	0.74		0.5	1.5
300	0.92	276	0.62		0.46	0.75
400	0.8	320	0.44		0.44	0.67
500	0.66	330	0.1		0.43	0.65
600	0.5	300	-0.3		0.5	0.5
700	0.3	210	-0.9		0.59	1