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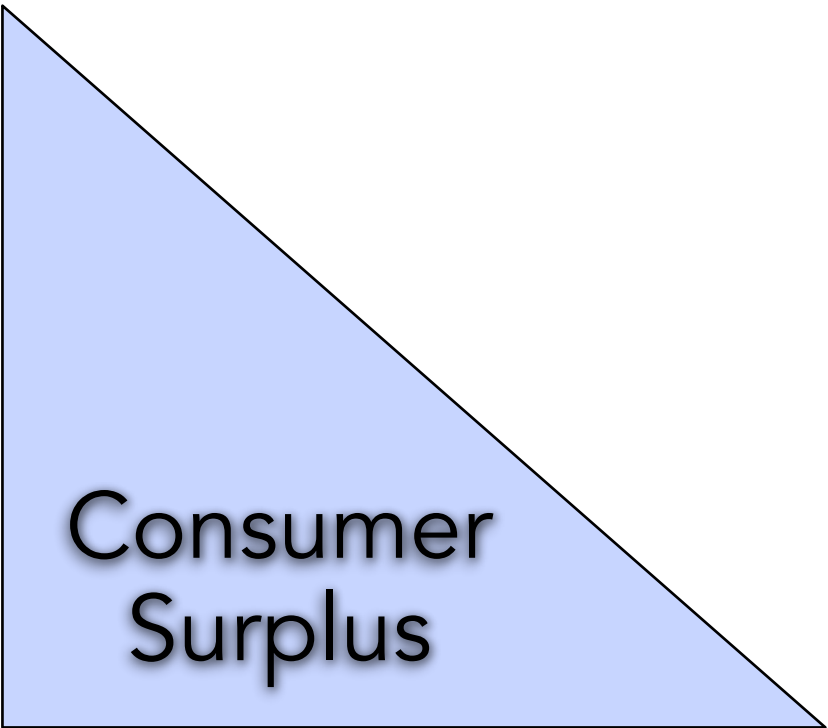


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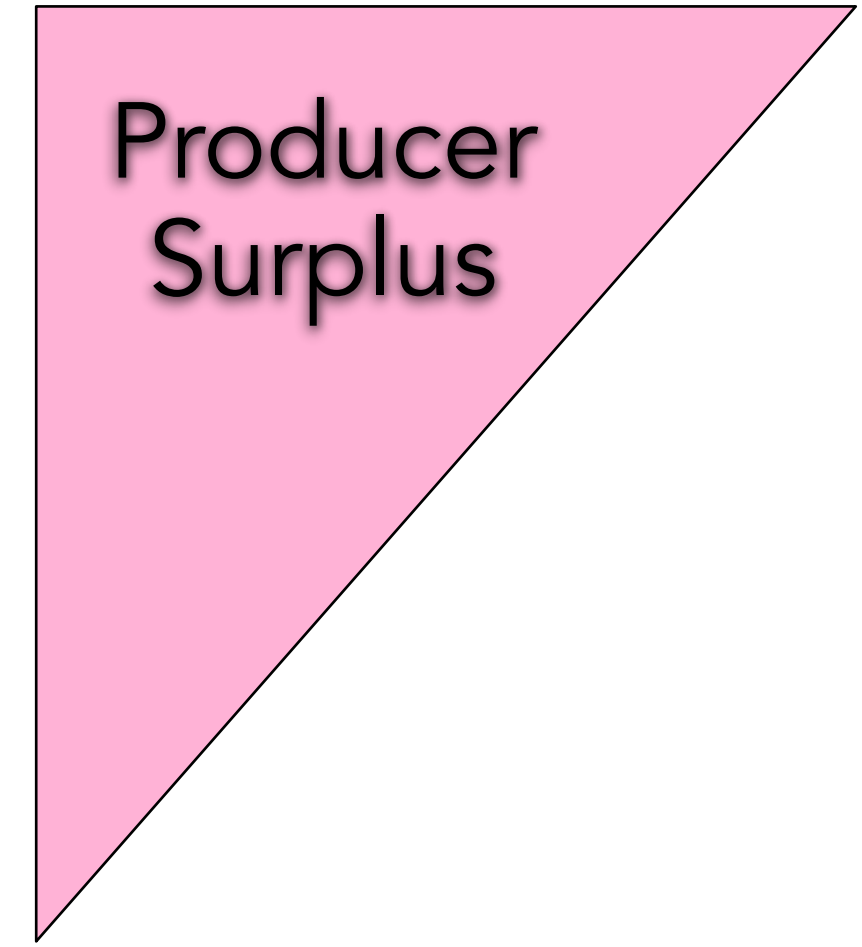


Perfect Competition



Consumer  
Surplus

A light blue right-angled triangle is shown, representing the concept of consumer surplus. The triangle's right angle is at the bottom-left corner. The hypotenuse slopes downwards from the top-left corner to the bottom-right corner. The text "Consumer Surplus" is centered within the triangle in a black, sans-serif font.

A pink right-angled triangle is shown, with its right angle at the bottom-left corner. The triangle's hypotenuse runs from the top-left corner to the top-right corner. The text "Producer Surplus" is centered within the triangle.

Producer  
Surplus

And...there is **no**

Welfare Loss in Perfect  
Competition

If the market is Perfectly  
Competitive, Society's Surplus  
is **shared** between consumers  
and producers

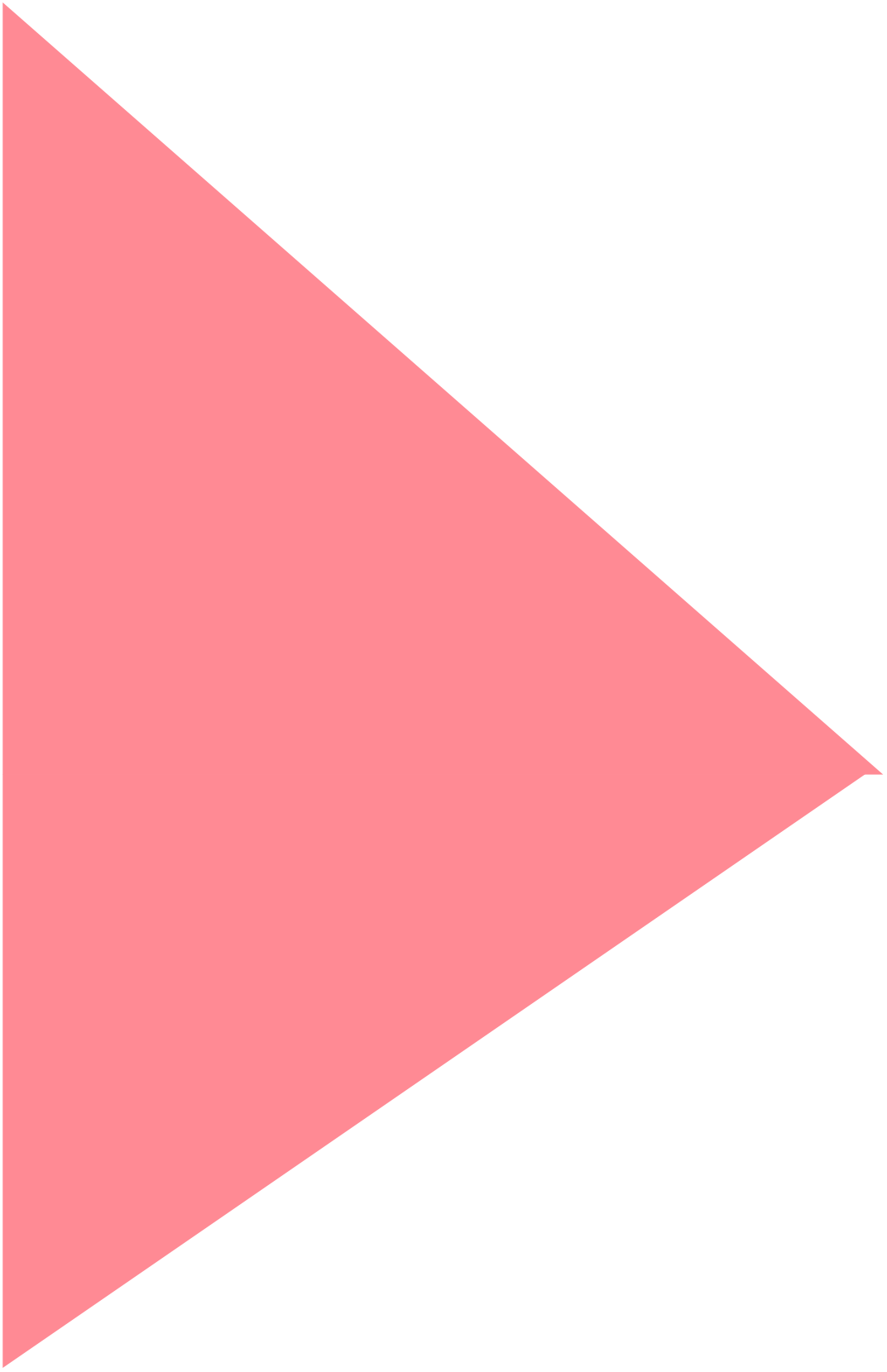





# Society's Surplus




Welfare Loss  
shrinks to  
zero





The entire  
area becomes  
Producer  
Surplus

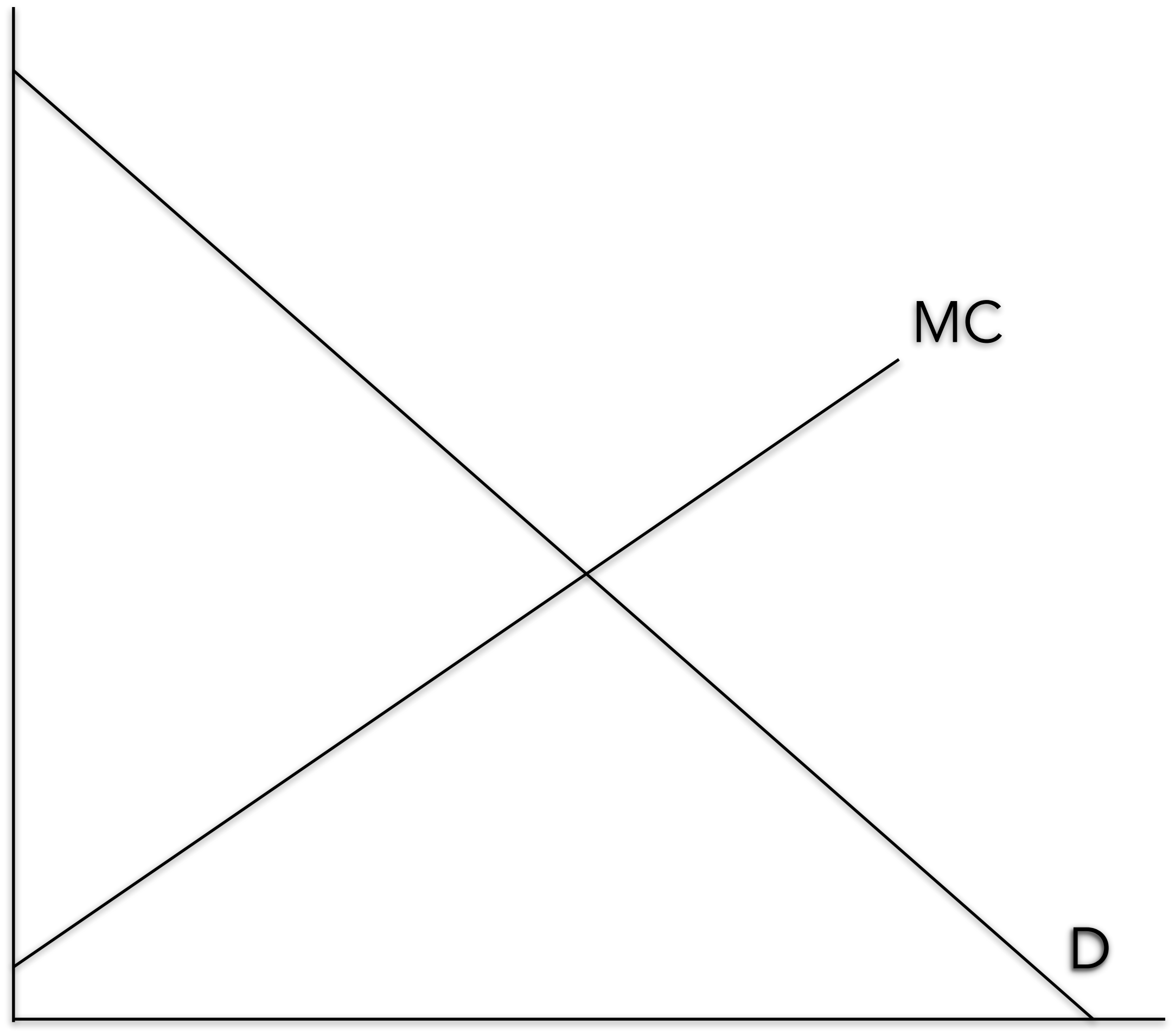
# Producer Surplus



Consumer  
Surplus  
shrinks to zero

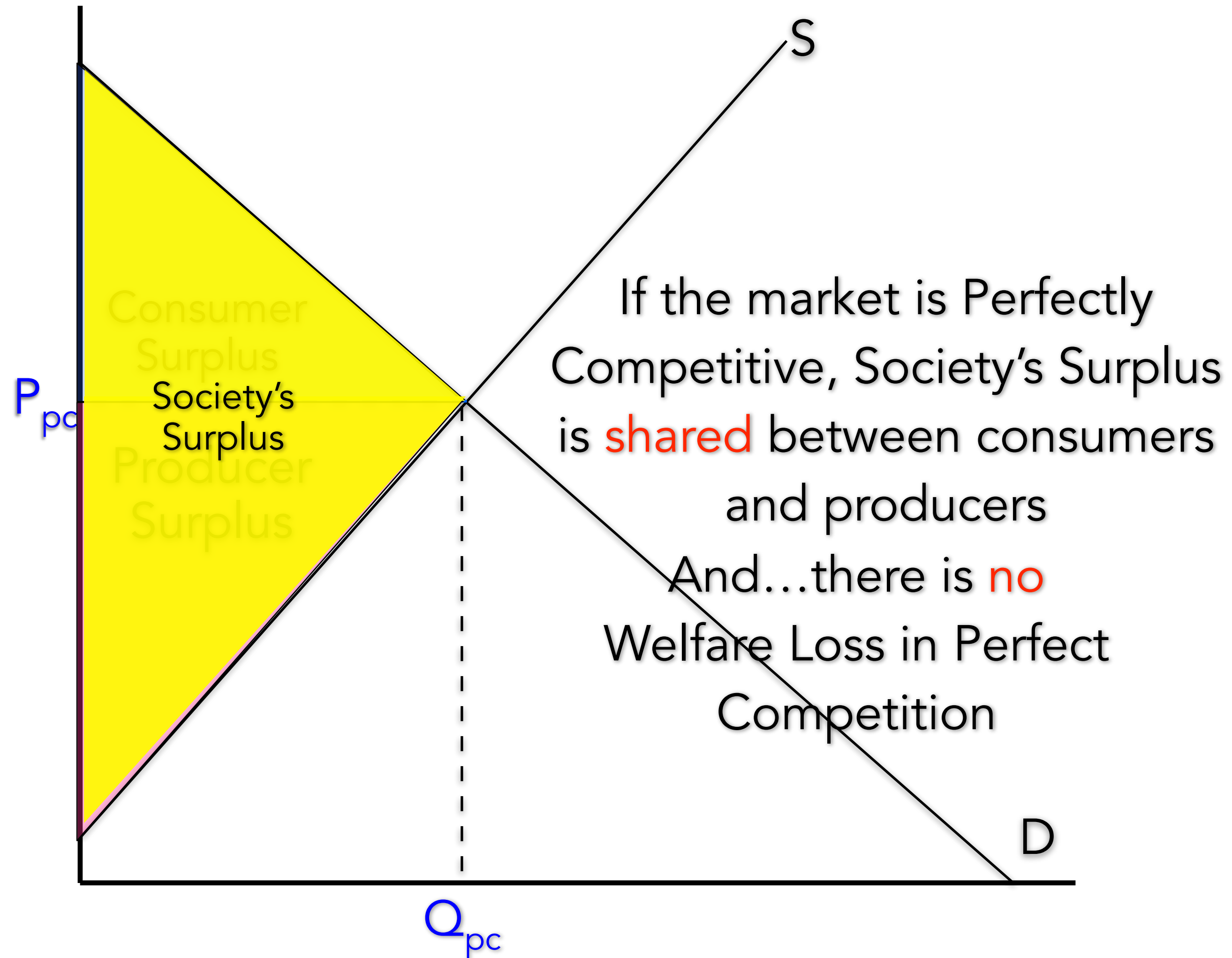
# Monopoly with Perfect Price Discrimination



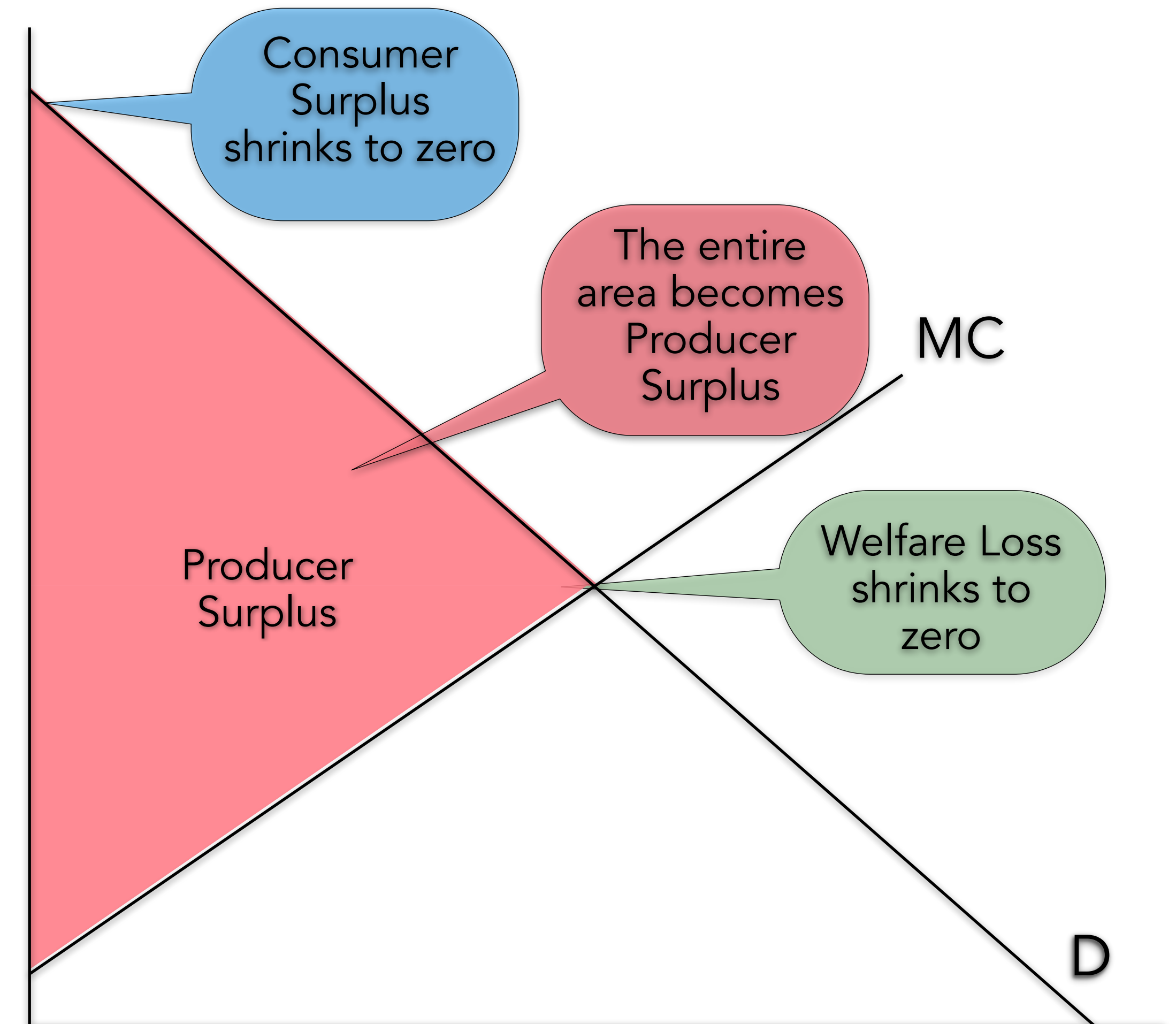


If a monopolist is able to price discriminate,  
the entire Society's surplus will go to the  
monopolist

## Perfect Competition



## Monopoly with Perfect Price Discrimination



If a monopolist is able to price discriminate, the entire Society's surplus will go to the monopolist

