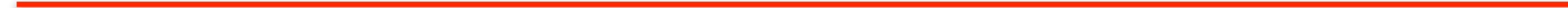
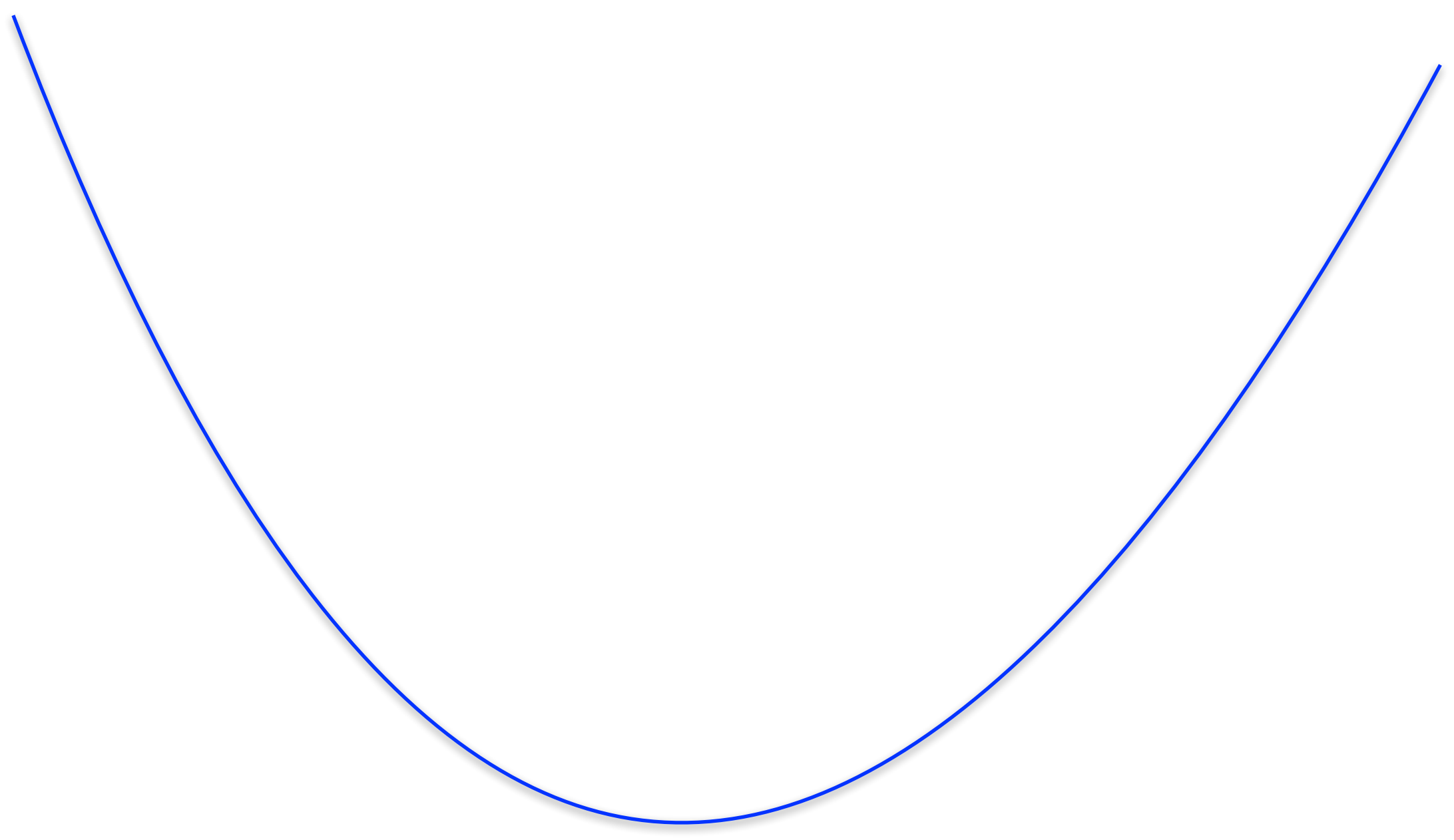


MR

MC

P_e

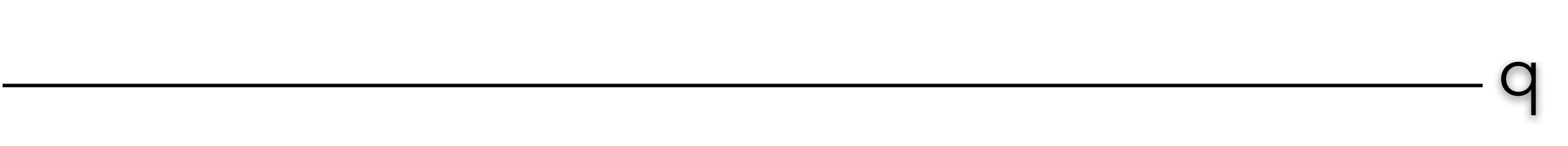




MC



,P



Total Profit is
maximum

when

$$MC = MR(=Price)$$



P

e





e







y





m

p

e









V

e

F





S



h





e



u



p

u







M

a





m



2

e

P











90

To Maximize
Profit, the firm
must produce

$$q_0$$

R

u



e



T





h





S

e



h

e

p











m

a





m



Z



n

g



u



p

u





e

V

e





h







m

C

h





S

S



W

h

e



e

M

C

[REDACTED]

[REDACTED]

M

R



A

n

d

y



u

m

u

S





e

m

e

m

b

e





h

a









P

e





e









m

p

e











n



M

R

1. **Introduction**

2. **Methodology**

P





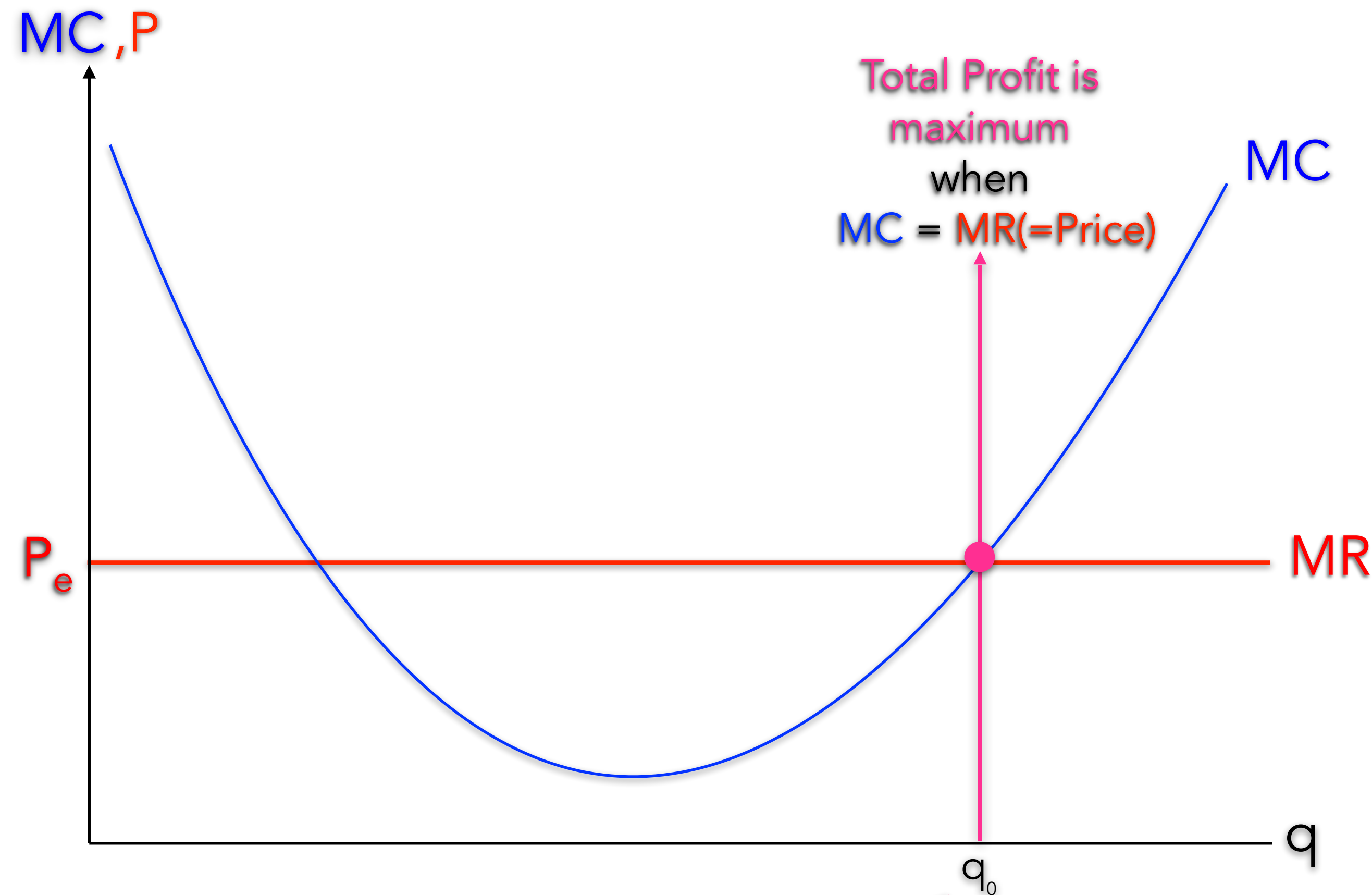




Perfectly Competitive Firms Choose Output to Maximize Profit

Rule: To choose the profit maximizing output level the firm chooses q where $MC = MR$

Perfectly Competitive Firms Choose Output to Maximize Profit



Rule: To choose the profit maximizing output level the firm chooses q where $MC = MR$

And you must remember that for Perfect Competition, $MR = Price$

To Maximize Profit, the firm must produce q_0

Monopoly

