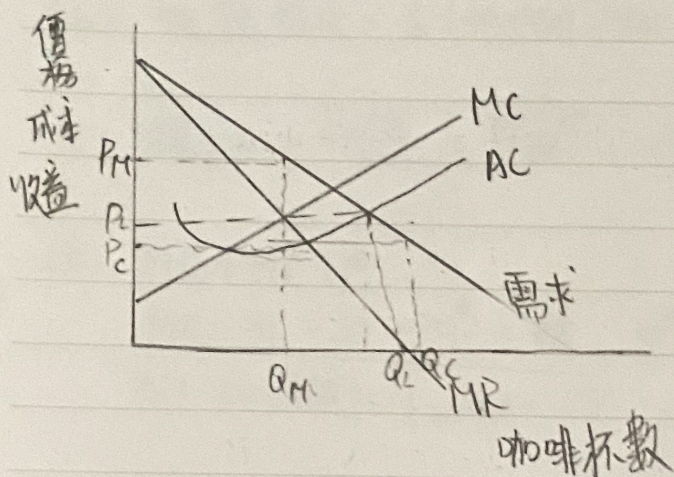Week 11　作業 =1.2.3

1.) 悟空會根據平均成本 (AC) 曲線與需求曲線 (D) 的交點訂出 (P_L, Q_L) 的價量組合。悟能會根據 MR=0 決定出 Q_c 的產量,並將價格訂在 P_c。悟淨會根據 MR=MC。決定出 Q_M 的產量,並將價格定為 P_M

2a) The monopolist will operate where $MR=MC$. With demand $P=a-bQ$, marginal revenue is given by $MR=a-2bQ$. Setting this equal to marginal cost implies $a-2bQ=c+eQ$, $Q=(a-c)/(2b+e)$. At this quantity price is $P=a-b((a-c)/(2b+e))$, $P=(ab+ae+bc)/(2b+e)$.

b) Since $Q=(a-c)/(2b+e)$, increasing c or decreasing a will reduce the numerator of the expression, reducing Q.

c) Since $e >$ and $=0$ and $P=(ab+ae+bc)/(2b+e)$, increasing a will increase the numerator for this expression. This will therefore increase the equilibrium price.