**Best Uses:**

* Diagrams show importance of competitive microecinomic markets and the need for government to regulate markets. Know these diagrams + know them well!

4 prices + 4 quantities + 4 different areas of consumer surplus

4 competitive models in the Long Run

 **ED 14: firms in long run**

 **Monopoly**

Q max Profit

Q max Profit

Q max Profit

Q max Profit

Price

PC

Price M…istic

Price Olig

Price M

 **PC**

 **M..istic**

 **D: Equilibrium for Perfect Competition in the LR**

 **C: Equilibrium for Monopolisitc in the LR**

 **B: Equilibrium for oligopoly in SR and LR**

 **A: Equilibrium for Monopoly in SR and LR**

 **B**

Price

Quantity

Price

MC

MR

AC

AR

**Low price high efficiency**

 m

**High price low efficiency**

 o

 m

 Pc

 **Oligopoly**

 M O pcpc