**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