Competitive Diversity

- How can cost functions differ?
- Economic and Accounting Profits
- Taxing a Competitive Industry
- Consumer and Producer Surplus

Consumer Surplus measure the net benefits to consumers; Producer Surplus measure the net benefits (aka profits) to producers.
A Simple Application

\[ \text{Area} = \frac{1}{2} Bh \]

\[ \text{Area} = \frac{1}{2} (P_{\text{max}} - P_{\text{min}})Q^* \]

End

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