Chapter 9

Concepts	Analysis
Perfectly competitive market	From a given price, find a firm's optimal output, total revenue, total cost, and profits/losses
Price-taker	Identify and measure profits and losses for a firm given MC, SR-ATC, and LR-ATC curves
Long-run equilibrium	Illustrate the response of firms in an industry to short-run profits/losses of firms
Short-run equilibrium	Explain how marginal revenue and price are related for perfectly competitive firms
Average variable cost	Explain price-taking behavior and what it means for the firm's strategy
Marginal cost	Explain why normal profit (0 economic profit) is sustained in perfect competition
Marginal revenue	Find the shutdown point for a perfectly competitive firm given a firm's cost curves
	Find the point of 0 economic profit for a perfecly competitive firm given a firm's cost curves

Chapter 10

Concepts	Analysis
Market power	Given MR, MC, ATC for a price-searching firm, find Q*, P*, TR, TC, and Profit
Patent	Explain why MR<P for a price-searching firm
Copyright	Find and explain deadweight loss in markets with price-searching firms
Trademark	Explain how barriers to entry maintain profits in the long-run for monopolies and oligopolies
Natural Monopoly	Define price discrimination and explain how it is possible, as well as limits to it
Monopoly	Provide examples of market segmentation and of perfect price discrimination
Price Discrimination	Show how price discrimination might reduce consumer surplus
Perfect Price Discrimination	Show how price discrimination might reduce deadweight loss
Oligopoly	Explain the source of natural monopoly
Duopoly	Demonstrate why monopolistically competitive firms have market power yet do not earn LR profits
Game theory	Explain the difficulties of maintaining cartel behavior
Dominant strategy	Find Nash equilibria in normal form (matrix or game table)
Prisoner's dilemma	Identify different strategies for repeated games
Cartel	Identify dominant strategies compared to non-dominant strategies
Monopolistic competition	

Chapter 12	
Concepts	Analysis
Market failure	Identify sources of market failure and the deadweight loss arising from them
Externalities	Identify external benefits and external harms
Positive externalities	Find efficient production when an externality is taken into account
Negative externalities	Demonstrate the use of Pigouvian taxes and subsidies to resolve externalities
Marginal external benefits	Define and identify public goods
Marginal private benefit	Explain the problem of free riding for the voluntary provision of public goods
Marginal social benefit	Identify situations of adverse selection and moral hazard
Marginal private cost	
Marginal external cost	
Marginal social cost	
Asymmetric information	
Adverse selection	
Moral hazard	
Non-rival good	
Non-excludable good	
Public good	
Private good	
Free ride	
Government failure	
Transaction costs	