

### List of tasks for students:

1. Graphically plot the demand curve, marginal revenue curve and marginal cost curve of the monopoly. Plot the production volume profit-maximizing firm and profit-maximizing price. Fill the average cost curve your graph depicted:
  - a) existence of a positive net economic gain
  - b) existence of a zero economic profit
  - c) existence of "monopoly losses."
2. Assume that the monopoly demand curve has the form:  $P = 75 - 0,5Q$ , and the total costs behave according to function:  $TC = 125,000 + 5Q - 0,25Q^2$ . Determine the price and volume of production, in which the monopoly producer maximizes its profits.
3. Monopoly producer has  $MC = AC = 5$  CZK. Market demand curve is given by:  $Q = 53 - P$ . Specify:
  - a) volume of production and price at which the monopoly maximizes total net economic gain,
  - b) volume of production and price of perfect competition,
  - c) consumer surplus in a monopoly situation (graphical representation).
4. Market demand curve is given by  $P = 40 - 2Q$ , part of market demand, which accounts for a dominant firm can be expressed as  $p = -q + 20$ . The amount of dominant firms expenses:  $AC = MC = 4$ . All companies in the sector are maximizing total profit. Calculate:
  - a) the volume of production offered by the dominant firm,
  - b) the price at which the dominant firm sells,
  - c) the volume of production, which will offer by a "competitive firm",
  - d) the price at which small businesses sell.

5. Graphically display the situation:
- a) firms in monopolistic competition in the long run, when the firm realizes zero economic profit,
  - b) firms in monopolistic competition in the short term, when company realizes positive economic profit,
  - c) firms in monopolistic competition in the short run, when the firm realizes zero economic profit,
  - d) firms in monopolistic competition in the short term, when company carries out an economic loss in the amount of fixed costs,
  - e) firms in monopolistic competition in the short term, when company implements economic loss less than fixed costs.
6. Characterize the nature of managerial and behaviorist theory of the firm.  
What is the target function of the firms owned by employees?