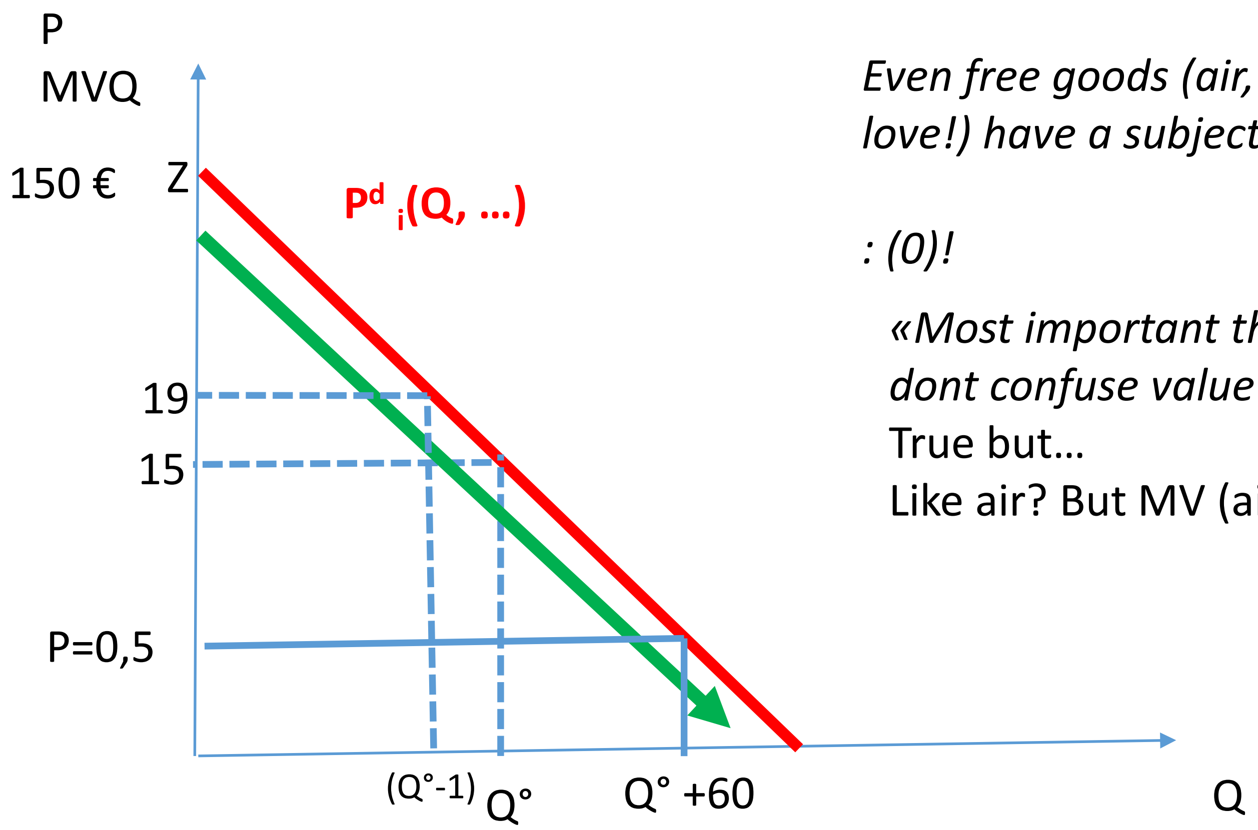
Decreasing demand curves



Even free goods (air, company-cleaned car, not love!) have a subjective Marginal Value = price …

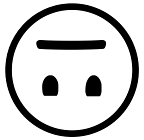
: (0)!

«Most important things in life have no price: dont confuse value and price»

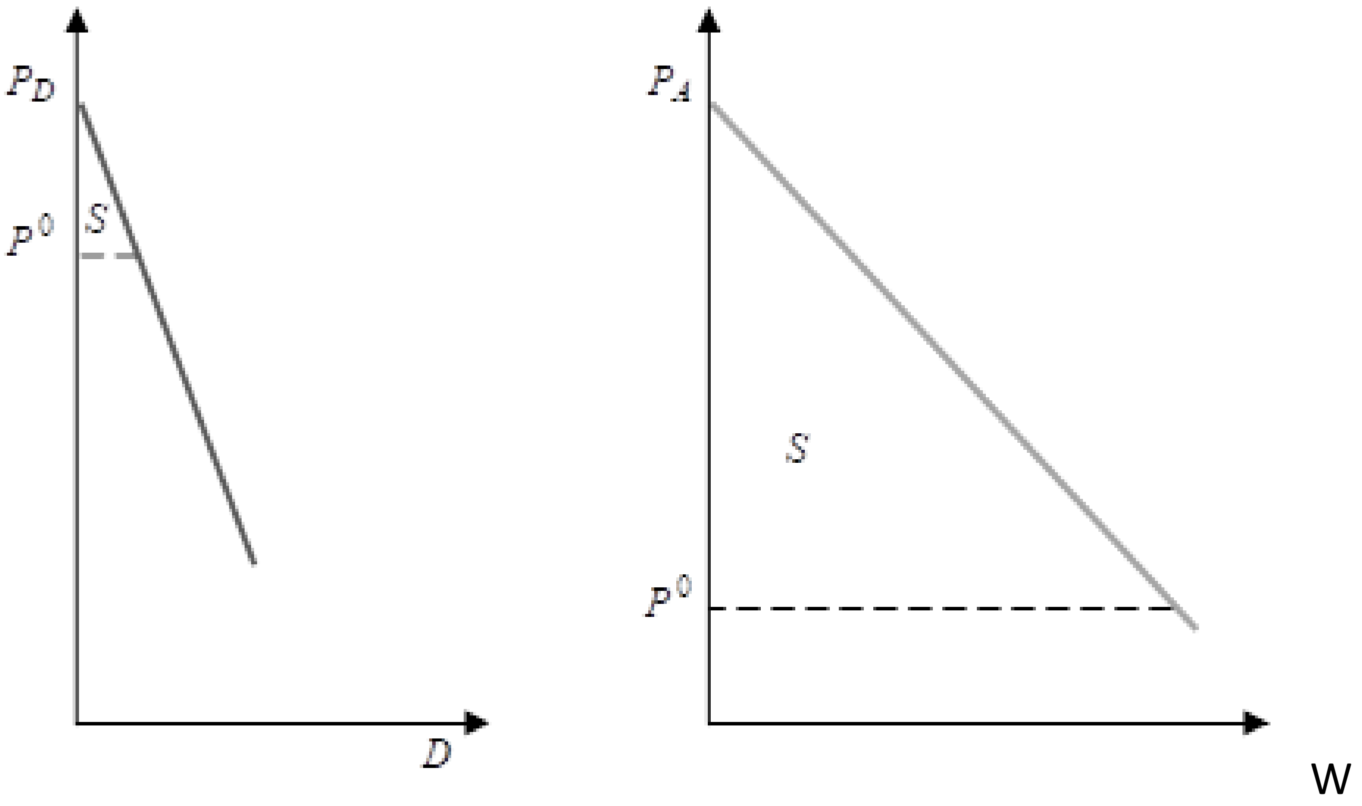
True but…

Like air? But MV (air) = … zero

Q°th



The surplus practice: Diamonds and Water



Again on (your) MRS

https://www.ted.com/talks/alessandro_acquisti_what_will_a_future_without_secrets_look_like?language=yi#t-2637

Chapter 4

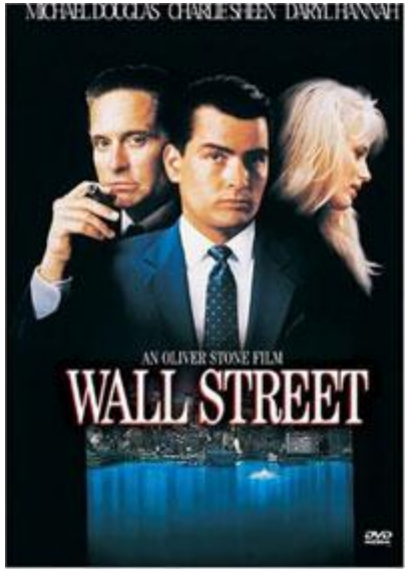
The profit's math

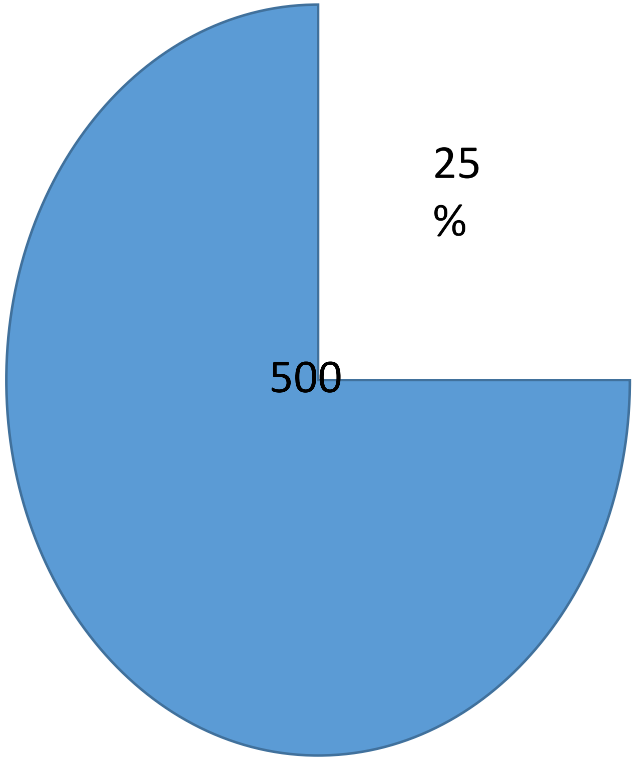
Q* such that:

$$\text{Max } \Pi\,(Q) = P(Q)\,\mathbf{Q} - TC\,(\mathbf{Q})$$

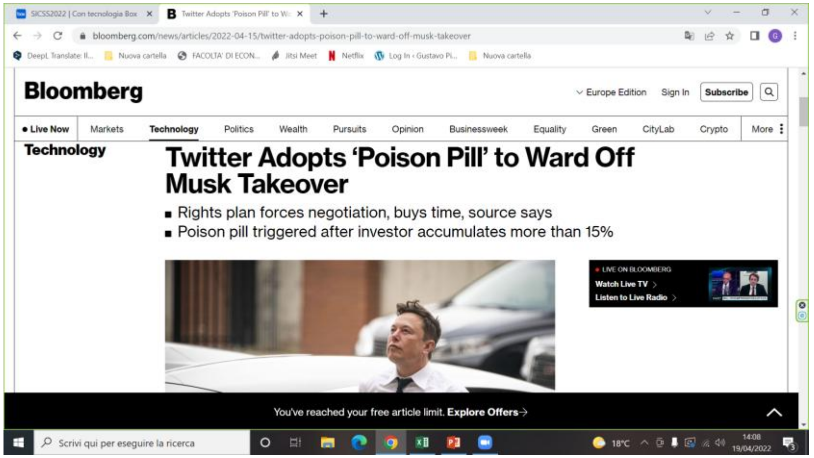
Really?

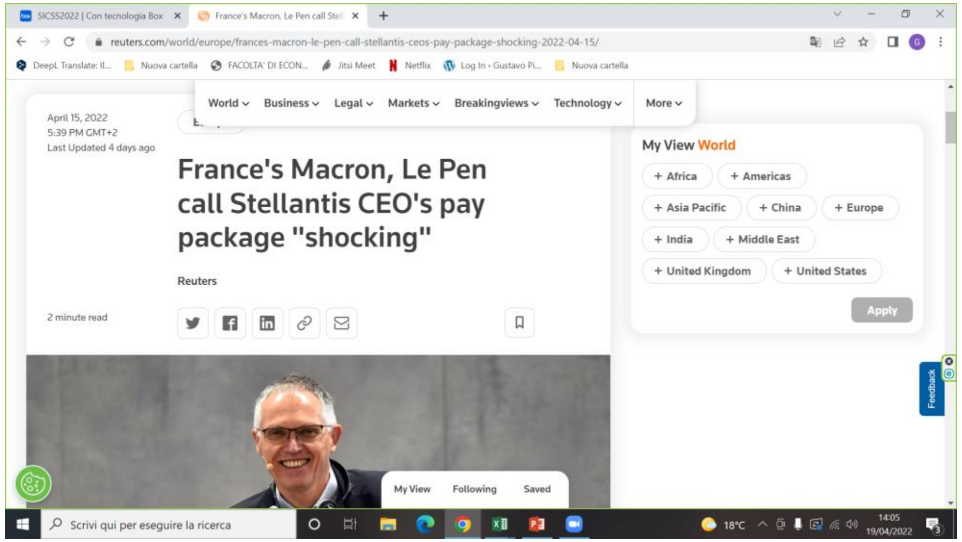
Managers and firms





Mr. Stock Option,
Sundar Pichai





Math and the profit function

$$\underset{Q}{Max}\,\Pi(Q) = TR(Q) - TC(Q)$$

Q* such that $$\frac{\delta TR(Q^*)}{\delta Q} - \frac{\delta TC(Q^*)}{\delta Q} = 0$$

MgR (Q*) = MgC (Q*)

TC(Q) ≡ min TC(Q)