

# 12. Market Structures

There are **4 different types** of market structure

Perfect Competition

Imperfect Competition

Oligopoly

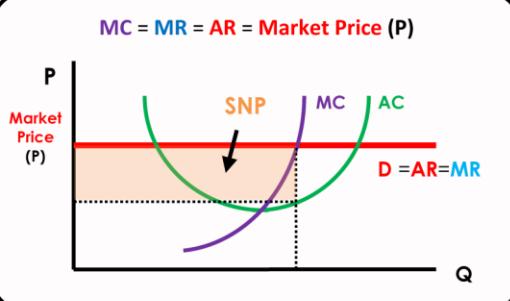
Monopoly

Increasing market power, concentration and market price  
Declining market efficiency and competition

## Short Run (SR)

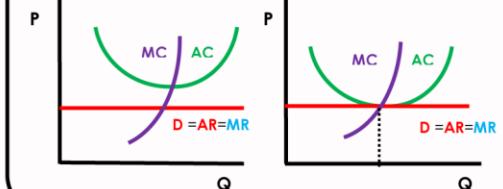
## Long Run (LR)

Perfect Competition



$AC > \text{Revenue}$   
Firm will leave industry

$AC = AR = MC = MR$   
Only normal profits



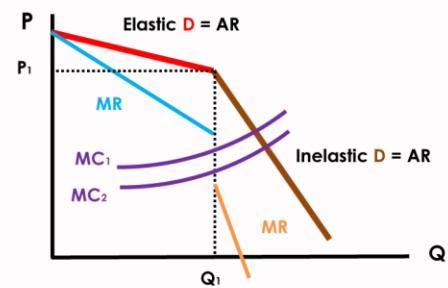
Imperfect Competition

**SAME AS MONOPOLY**

$AC > \text{Revenue}$   
Firm will leave industry

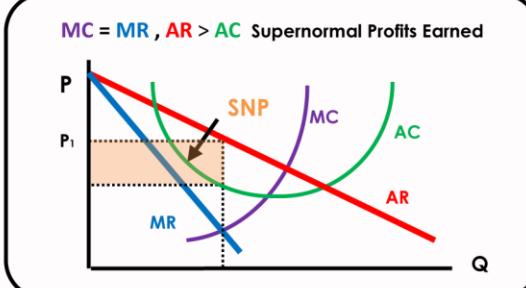
$AC = AR = MC = MR$   
Only normal profits

Oligopoly



**SR = LR**

Monopoly



**SR = LR**

	Perfect Competition	Monopoly	Imperfect Competition	Oligopoly
No of Firms	Many (all producing identical goods)	One (supplies one good to the entire market)	Many (all producing similar but <i>not</i> identical goods)	Small group of firms