The interactive graph of Market and enterprise in perfect competition is a technical note that helps in the understanding of the short and long term adjustments under the assumption of perfect competition. It allows for interaction in both short and long term, and in both graphs.

Interactive graph of market and enterprise in perfect competition

This interactive tool will help you to understand the short and long term adjustments in the market and in the enterprise under the assumption of perfect competition. It will allow you to interact on both dimensions and aid in the equilibrium process in terms of profits, losses, prices and exchanged quantities.

It is assumed that you already know the underlying concepts behind the graphic representations of a market and the production decision of a company in perfect competition. To foster a better understanding of the principle effects of shifting the curves, this graphic resource will only allow you to interact with one of the curves at a time and will not take into consideration variations in the slopes of the curves.

The tool also contains some simple exercises that will let you put into practice your understanding of short and long term adjustments in the market and the enterprise, and easily compare your answers by interacting with the graph.

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This interactive graph allows students to observe the effects of contraction and expansion of:

- Demand.
- Supply.
- Costs.
This tool shows graphically the effects of changes to supply, demand and costs. The graphs highlight the movements and the areas that represent income, costs and profit.
After students have familiarized themselves with the graph, some exercises with feedback are presented, where the knowledge learnt can be put into practice.