TWO REMARKS

(1) THE MONOPOLY ANALYSIS/MODEL IS ACTUALLY THE APPROPRIATE ANALYSIS FOR ANY FIRM FACING A DOWNWARD-SLOPING DEMAND CURVE WHICH IT TAKES AS GIVEN. DOWNWARD-SLOPING DEMAND CURVE = "MARKET POWER."

(2) IN THE COURNOT ("FIRMS COMPETE IN QUANTITIES") MODEL, THE FIRM FACES A DEMAND CURVE IT TAKES AS GIVEN, AND IT CHOOSES A q. BUT THAT IS EQUIVALENT TO CHOOSING A PRICE p — SO THE FIRM'S DECISION (p AND q) IS THE SAME EITHER WAY. AND THE SAME IN THE BERTRAND MODEL. BUT THE TWO MODELS' EQUILIBRIA DIFFER, FOR THE SAME FIRMS. HOW CAN THIS BE? ⊛