

ECON 321, Assignment 8: BP Chapter 8, Price Discrimination

1. Read Section 8.1 carefully. These are important definitions to know.
2. Read Section 8.2. What types of price discrimination does this model concern?
3. Using Mathematica, find the optimal profits of the monopoly on segment $m = 1$ and on segments $m = 2 \dots n$. (Remember capital letters are reserved by Mathematica, so use n not N .) You might call these “profitstar1” and “profitstarm.” Also find the CS on segment 1 and on segments $2 \dots n$.
4. Find the total profit on all segments and the total CS on all segments. Here’s sample code for how to do this for profits:

```
totalprofit = profitstar1 + Sum[profitstarm, {m, 2, n}]
```

5. Make a plot like the one in Figure 8.2.