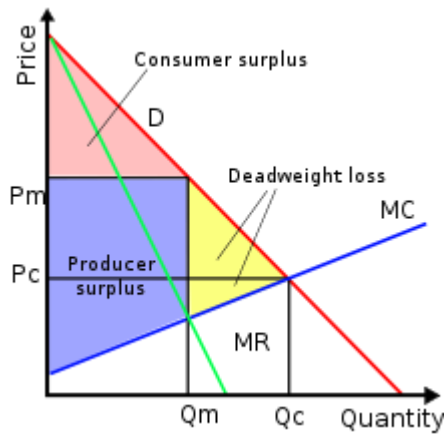


Answer on Question #41972, Economics, Microeconomics



In monopolistic competition price ceiling, but not price floor is used, because the firms set the prices higher than competitive themselves to increase profits. Put the price ceilings – decrease of price to the competitive one will decrease the deadweight loss and profits of the firms, they may