Review of Net Benefit Geometry

**Benefit/ or Cost/Q**

**TB(Q*) = (1) + (2) + (3) + (4)**

**MC**

Slope of each “curve” = Marginal _______ (i.e., the change in Total Cost or Benefit—for a 1 unit change in Q, \( \Delta B/\Delta Q \) or \( \Delta C/\Delta Q \))

**MC**

**MB**

**Total (Benefit or Cost) = The area under the respective Marginal _______ (Benefit or Cost) curve.**

**Q’**

**Q**

**Q***

**Q’’**

**Net benefit (Q*) = TB(Q*) – TC(Q*) = (1) + (3)**