Figure 18-1: Firm’s labor inputs

\[ w \text{, } VMP_L \text{, } \text{\$ per unit} \]

Labor supply curve

\[ MRP_L \text{, Labor demand curve} \]

\[ L, \text{Workers per hour} \]
Figure 18-2: Labor inputs for a monopsony

Marginal expenditure

Labor supply curve

\[ w = 40 \]
\[ w_m = 24 \]

\[ L = 12 \quad L = 20 \]

L, Workers per hour
Figure 18-3: Minimum wage in a monopsony

Image by MIT OpenCourseWare.
Figure 18-4: Labor-decreasing minimum wage in a monopsony
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