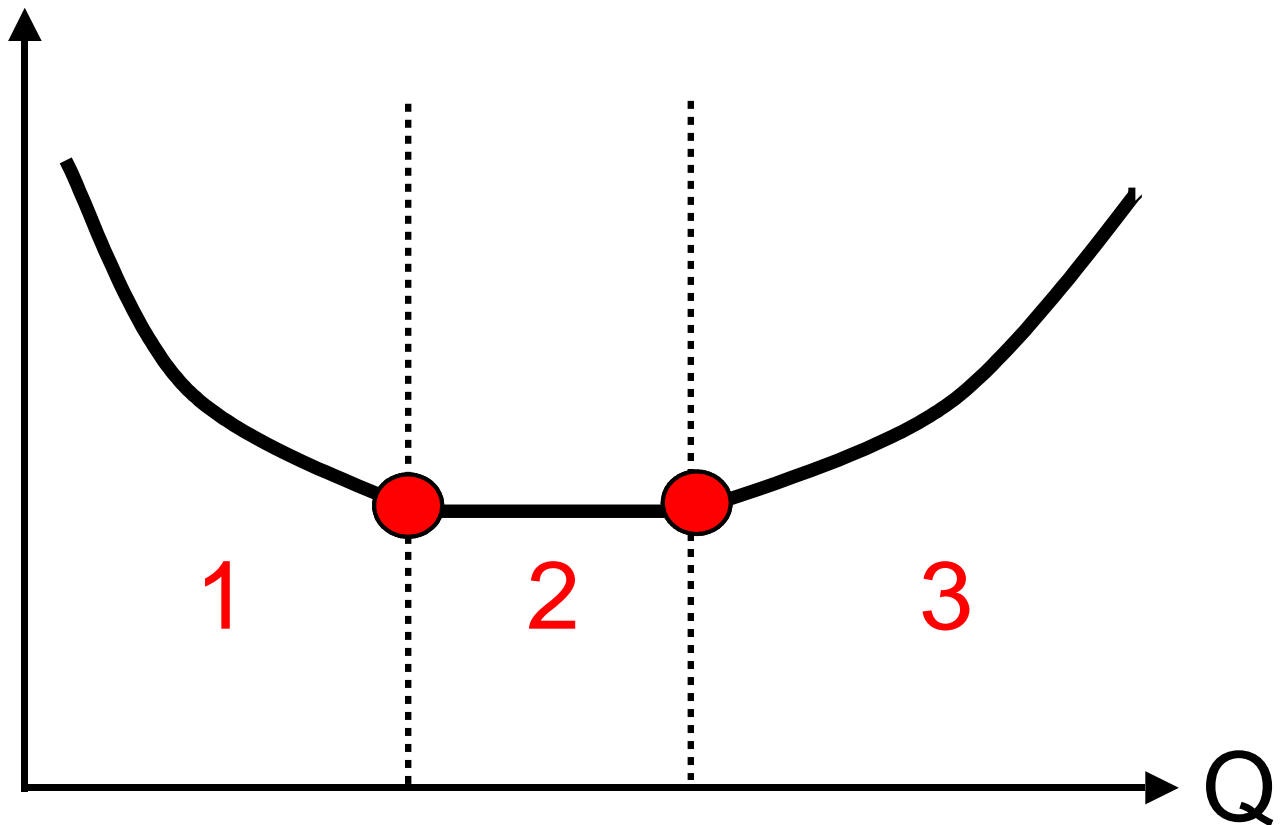


# Returns to scale

Long-run average cost



- 1 Increasing** returns to scale  
(= economies of scale)
- 2 Constant** returns to scale
- 3 Decreasing** returns to scale  
(= diseconomies of scale)