

**34. Incorrect. The answer is true not false.** MRP is the demand in a competitive factor market and MC is the supply in a competitive market. Setting demand equals to supply yields:

$$\text{MRP} = 100 - 2I = \text{MC} = 2I$$

$$100 = 4I$$

$$I = 25 \text{ and price would be } 100 - 2I = 100 - 2 \cdot 25 = 50.$$

