1. No close 2. Control of an important resource

3. natural 4. the market 5. higher

6. restricting output blow 7. Can 8. is not

9. a large number of firm 10. are not

11. lack of Concern 12. No 13. maybe higher

14. Oligopoly 15. a few

definitions.

1. market power 2. barrier to entry

3. natural monophy 4. pure monopoly

5. price discrimination 6. imperfect competition

7. monopoliotic competition 8. price leadership

1. b 2. c 3. b 4. d

1) furniture (elasticity = -3)

if you cut the price by 10% the quantity your sell, will increase by 30%

Calculation 3 x 10% = 30%

2) brusels sprouts (elasticity = -0.5)

to increase consumption by 15% the price must fall by 30%

Calculation → % change in quantity ÷ 0.5 = 30%