Name _____ Class _____ Date _____

CHAPTER 7 SECTION 3

GUIDED READING AND REVIEW

Monopolistic Competition and Oligopoly 3

As You Read

As you read Section 3, fill in the information requested on the charts. Then apply your knowledge to the Guiding Question:

What are the characteristics of monopolistic competition and oligopoly?

Monopolistic Competition Market Structures		
Defining Conditions	1. _____	2. _____
	3. _____	4. _____
Forms of Nonprice Competition	5. _____	6. _____
	7. _____	8. _____
Price-Output Relationship	9. _____	
Curbs on High Profits	10. _____	11. _____
Consumer Advantages	12. _____	
Oligopoly		
Conditions Encouraging Formation	13. _____	14. _____
	15. _____	
Practices that Concern Government	16. _____	17. _____
	18. _____	

Reviewing Key Terms

Read the statements below. In the space provided, write *T* if the statement is true or *F* if it is false.

_____ **19.** Firms selling identical products create *monopolistic competition.*

_____ **20.** Providing better customer service, introducing a new lipstick color, and sophisticated advertising are examples of *nonprice competition.*

_____ **21.** *Price fixing* is an outcome of collusion.

_____ **22.** A *cartel* is most successful when each member produces as much product as possible.

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