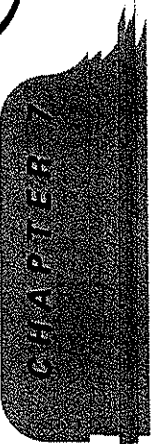


## Section 3: Guided Reading and Review

# Monopolistic Competition and Oligopoly



### A. As You Read

As you read Section 3, fill in the information requested on the charts.

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

### B. 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.

