Quizlet NAME ____________________

## 16 Multiple choice questions

1. a market structure where there are many sellers offering a differentiated product and few barriers to entry
   a. monopoly
   b. monopolistic competition
   c. product differentiation
   d. pure competition

2. a market structure where there are few sellers of usually differentiated products and there are significant barriers to entry
   a. merit goods
   b. oligopoly
   c. monopoly
   d. public goods

3. a way of calculating the price elasticity of demand by looking at the effect of changes in price on the revenue earned by the producer
   a. monopoly
   b. public goods
   c. oligopoly
   d. total outlay method

4. where consumers are willing to pay any price in order to obtain a given quantity of a good or service
   a. perfectly inelastic supply
   b. perfectly inelastic demand
   c. perfectly elastic supply
   d. price elasticity of demand

5. the process by which the forces of supply and demand interact to determine the market price at which goods and services are sold and the quantity produced
   a. public goods
   b. product market
   c. merit goods
   d. price mechanism

6. goods that private firms are unwilling to supply as they are not able to restrict usage and benefits to those willing to pay for the good
    a. merit goods
    b. public goods
    c. monopoly
    d. oligopoly

7. a measure of the responsiveness of quantity supply to a change in price
    a. perfectly elastic supply
    b. perfectly inelastic supply
    c. price elasticity of supply
    d. price elasticity of demand

8. goods that are not produced in sufficient quantity by the private sector because private individuals do not place sufficient value on those goods
    a. merit goods
    b. monopoly
    c. oligopoly
    d. public goods

9. where producers are willing to supply an infinite quantity of a good or service at a particular price but nothing at all at a lower price
    a. perfectly elastic supply
    b. perfectly inelastic demand
    c. price elasticity of supply
    d. perfectly inelastic supply

10. when firms try to make their goods and services look different from competitors to increase brand loyalty and give the firm some degree of price-setting power
    a. product differentiation
    b. pure competition
    c. product market
    d. price mechanism

11. where producers are willing to supply a given quantity of a good or service regardless of the price
    a. perfectly elastic supply
    b. price elasticity of supply
    c. perfectly inelastic supply
    d. perfectly inelastic demand

12. a market structure where there are many sellers of a homogenous product and there are no barriers to entry
    a. monopolistic competition
    b. price mechanism
    c. product differentiation
    d. pure competition

13. a measure of the responsiveness of quantity demanded to a change in price
    a. price elasticity of demand
    b. price elasticity of supply
    c. perfectly inelastic demand
    d. price mechanism

14. a market structure where there is only one producer
    a. monopoly
    b. public goods
    c. merit goods
    d. oligopoly

15. the interaction of demand for and supply of the outputs of production
    a. public goods
    b. product market
    c. price mechanism
    d. market failure

16. where the market does not result in the efficient allocation of resources, such as the allocation of public goods
    a. market failure
    b. monopoly
    c. merit goods
    d. product market