

We are now under the dome.

## Industries:

Food

Water

Shelter

Electricity

1) What are you providing specifically?

2) How are you going to deliver the product to the customer?

3) How much are you going to charge?

Food

Water

Shelter

Electricity

Monopoly

## Food

- \*Use kitchen produce (seeds) for planting
- \*Turn cafeteria and roof into greenhouse / farm
- \*Labor is currency and contributions

## Water

- \*32 ounces for 500 cal of food (1/4 for 1/4; 1 hr of electricity; 1.25 walls)

## Shelter

- \*Hire enforcement personnel
- \*McConnell, MacFarland, and McWatters are enforcement leads
- \*Trade for food and water
- \*1 group will be shoved into the MPR

## Electricity

- \*A/C, distribute through outlets
- \*Food for 3 electrical uses of 1 hr; 1 private restroom and room; MacFarland's furniture

## Today's learning objective:

By the end of class, I will be able to determine the product, profits, and marketplace differences in the competitive spectrum.

## Today's language objective:

Pure competition  
Monopolistic competition  
Oligopoly  
Monopoly

# Competition Spectrum



# Who likes a monopoly?

Ownership of that business

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Customers

Consumers

Price ↑



Quality ↓

Do monopolies exist today?



Are monopolies legal?

# Sherman Anti-Trust Act of 1890

	Pure Competition	Monopolistic Competition	Oligopoly	Monopoly
Product	Same	differentiated		
Profits				
Competitors	lots			

## Herfindahl-Hirschmann Index

\*How to calculate whether a monopoly exists

\*Square the market shares

\*Add

And if the sum is...

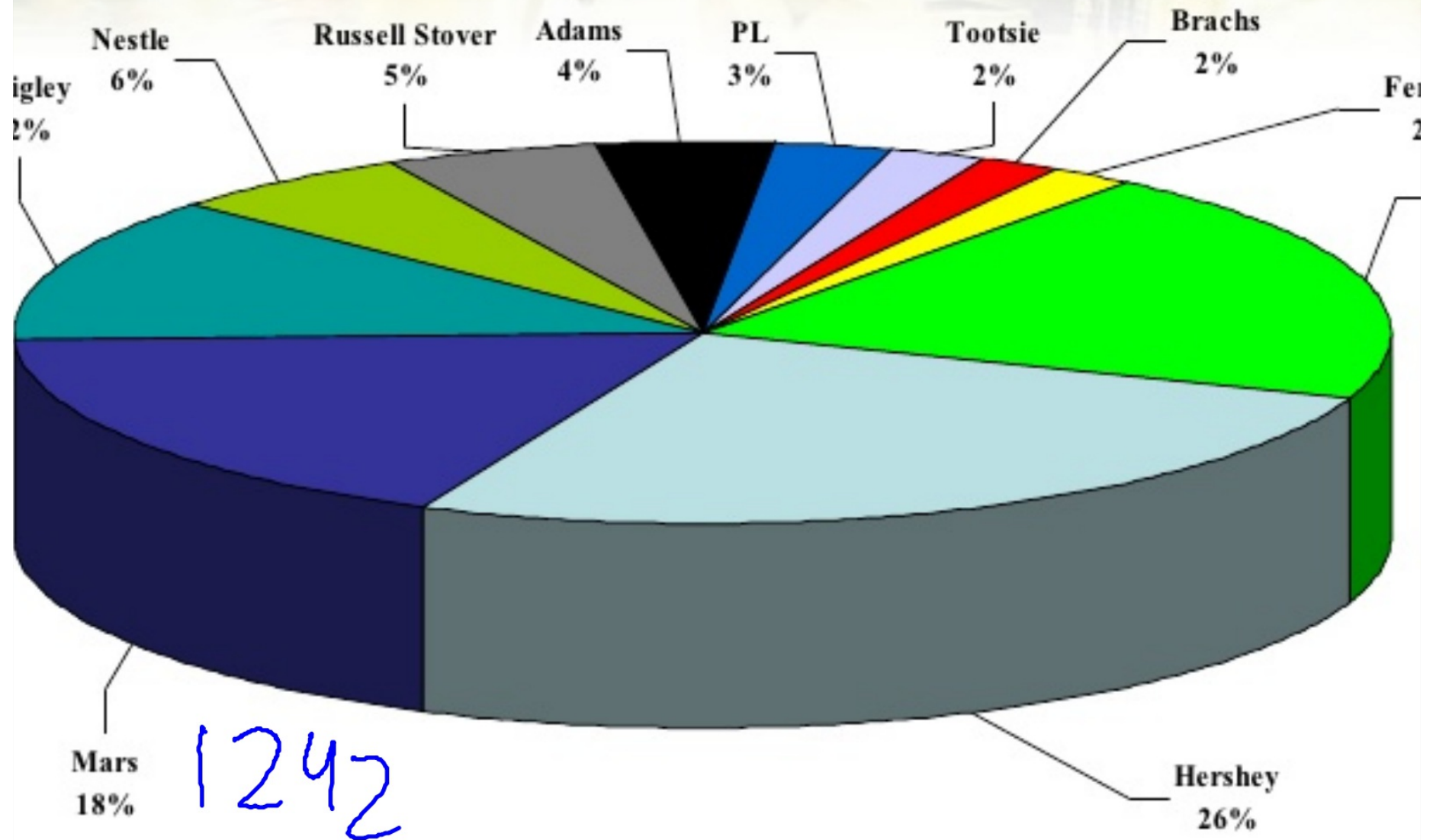
$< 1000$  (pure competition)

$1000 < x < 2500$  (monopolistic competition)

$2500 < x < 4000$  (oligopoly)

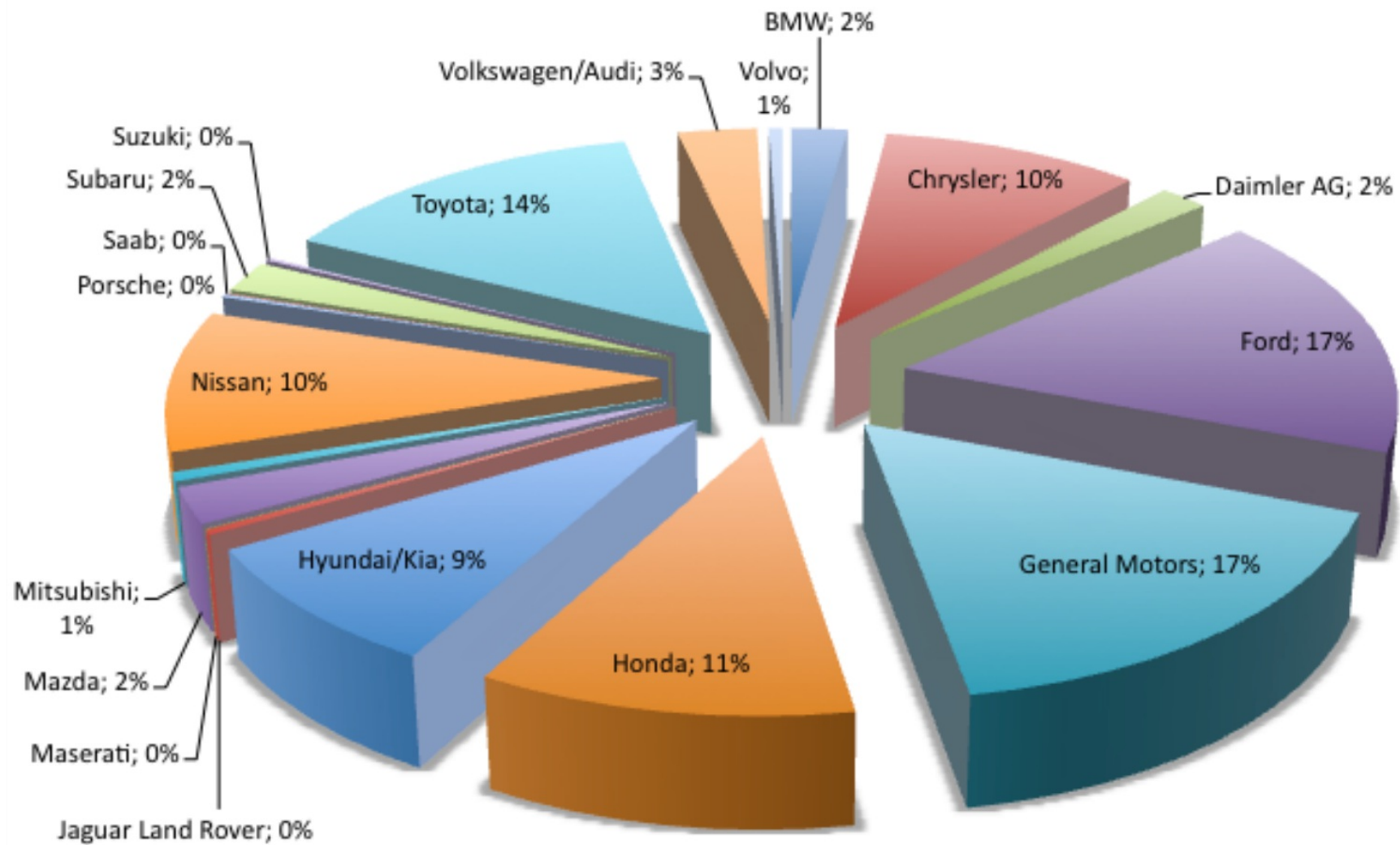
$x > 4000$  (monopoly)

# Market Share by Value



➤ The Hershey Chocolate company contributes more than 1/4<sup>th</sup> of the

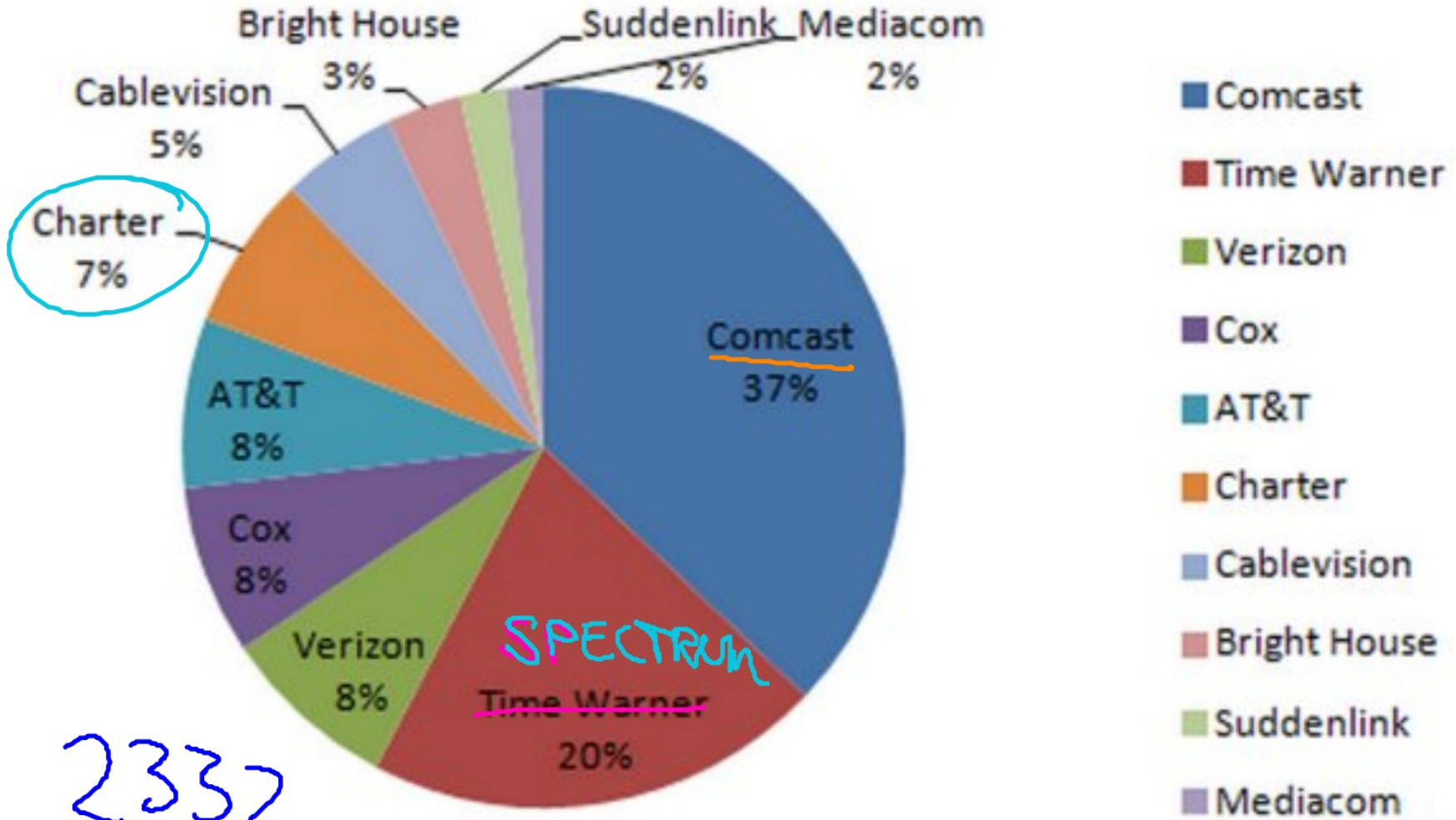
# US Auto Market 2011





2014

2052



2332

# 2015 (proposed)

3532

