A. As You Read

Directions: As you read Section 3, fill in the blanks. Then apply your knowledge to the Guiding Question:

What are the characteristics of monopolistic competition and oligopoly?

1. What are the four conditions of monopolistic competition?

2. What are the four forms of nonprice competition?

3. What are the three main features of an oligopoly?

4. What are two ways of keeping prices high, which are against the law in the United States?

B. Reviewing Key Terms

Directions: Read the statements below. Write T if the statement is true, or F if it is false.

_____ 5. Businesses that sell standardized products have monopolistic competition.

_____ 6. Providing excellent customer service is an example of nonprice competition.

_____ 7. Price-fixing is a type of collusion.

_____ 8. The members of a cartel all produce as much product as possible.