

How does a competitive market work? - Séance 2

1. **How many companies are involved in a monopoly?**

- A. Zero
- B. One
- C. Five
- D. 10-50

2. **What is the nature of the product sold in a pure and perfect competition market?**

- A. Differentiated.
- B. Homogenous.
- C. Unique.
- D. Partially unique.

3. **How would you describe the freedom of entry in an oligopoly?**

- A. Restrained.
- B. Blocked.
- C. Completely free.
- D. Non-homogenous.

4. **What is “copyright”?**

- A: A law forbidding copying property.
- B. Unwritten rules about ownership.
- C. A list of punishments for stealing intellectual property.
- D. A collection of rights held by an owner.

5. **What is an “institution”?**

- A. A company which is based in France.
- B. A structure without regulations.
- C. A structure with certain stability based on rules.
- D. A set of laws on a company.

6. **Why is trust necessary for the achievement of market exchanges?**

- A: It reduces the cost of contracts.
- B: It places the responsibility on the seller.
- C. It turns the market into a monopoly.
- D. It makes it easier to enter an oligopoly.

7. **Which market is the CRE responsible for regulating?**

- A: Rail.
- B: Communication.
- C: Competition.
- D: Electricity.

8. **Which market is ARCEP responsible for regulating?**

- A: Rail.
- B: Communication.
- C: Competition.
- D: Electricity.

9. **Which market is ARAF responsible for regulating?**

- A: Rail.
- B: Communication.
- C: Competition.
- D: Electricity.

10. **What are homogeneous products?**

- A: Products that are closely related.
- B: Products that are completely different.
- C: Products that are identical.
- D: Products produced in a monopoly.

11. **What are differentiated products?**

- A: Products that are closely related.
- B: Products that are completely different.
- C: Products that are identical.
- D: Products produced in a monopoly.

12. **What type of market is electronics and take-away coffee traded in?**

- A: Pure and perfect competition.
- B: Monopolistic competition.
- C: Oligopoly.
- D: Monopoly.

13. **Which of the following are NOT a requirement for a competitive market?**

- A: A large number of suppliers and applicants.
- B: The free entry and exit of suppliers and applicants.
- C: Rules and regulations set by states.
- D: Non-differentiation of products.

14. **Why is copyright threatened by the internet?**

- A: It has stopped companies from producing physical media.
- B: It makes people more inclined to steal.
- C: It has encouraged downloading.
- D: It has practically eliminated reproduction costs.

15. **Which is NOT a reason that the market is an institution?**

- A: Individuals are free to compete.
- B: It needs rules and conventions.
- C: Each individual finds it already formed.
- D: The rules of law are imposed on individuals.