

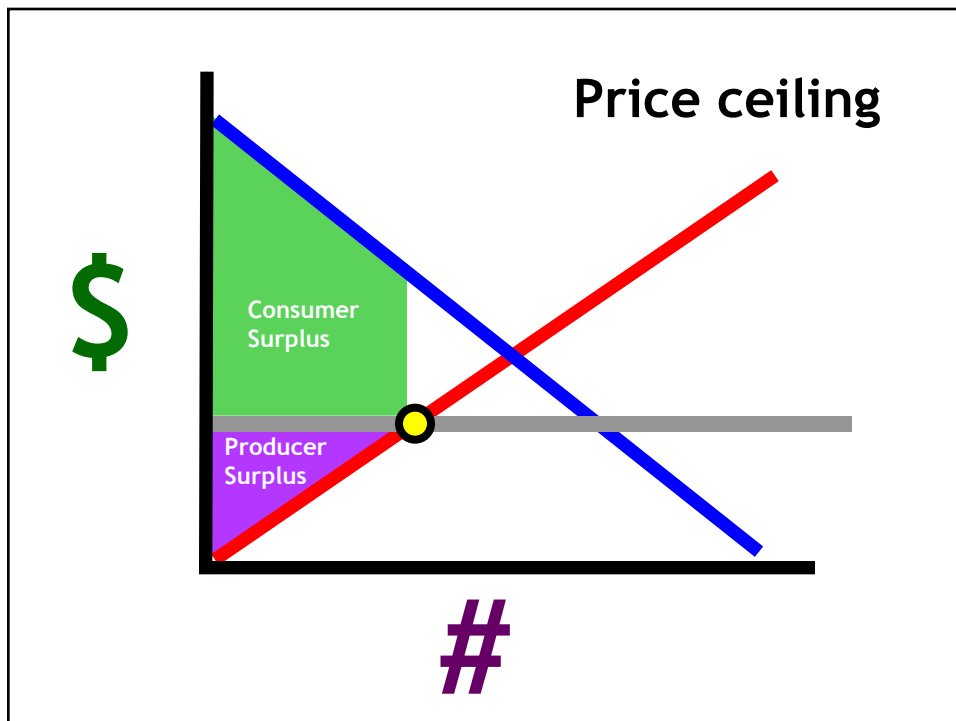


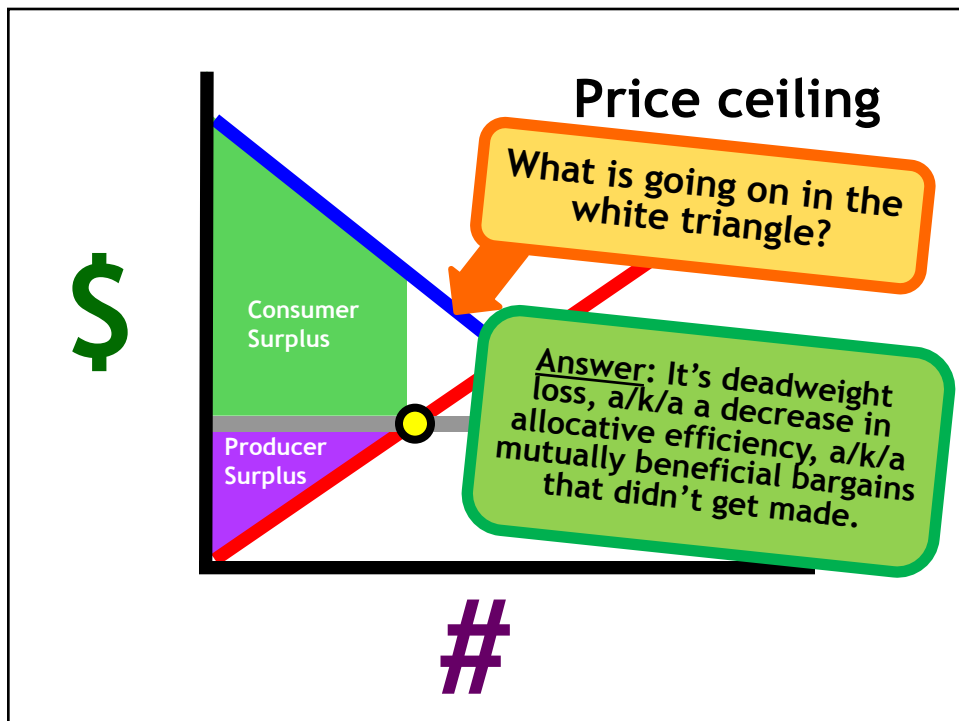
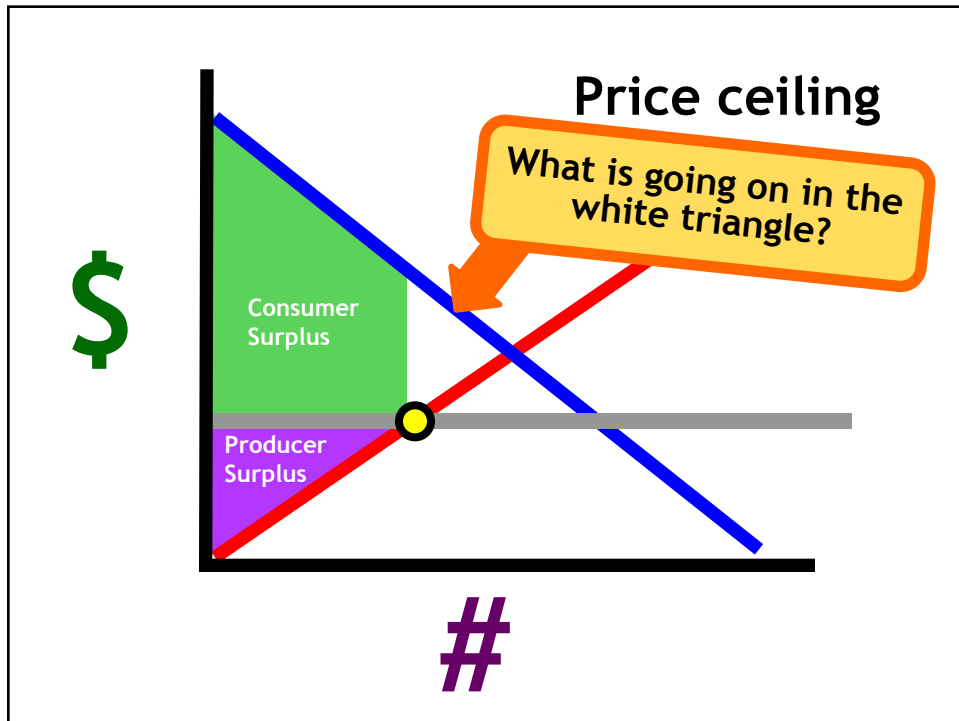
Economics Synthesis and Review

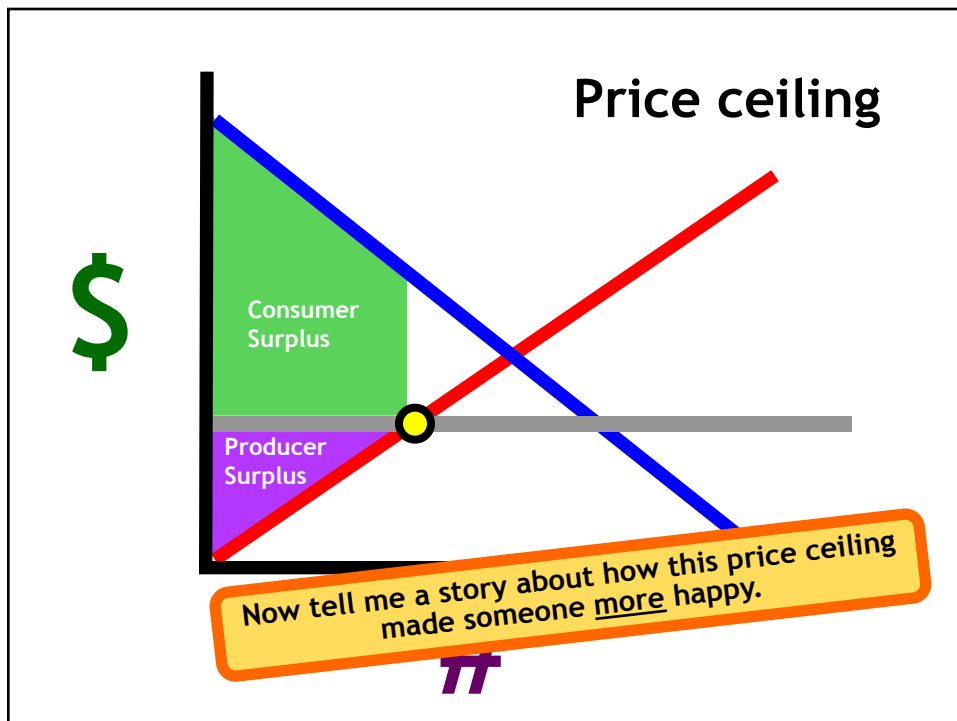
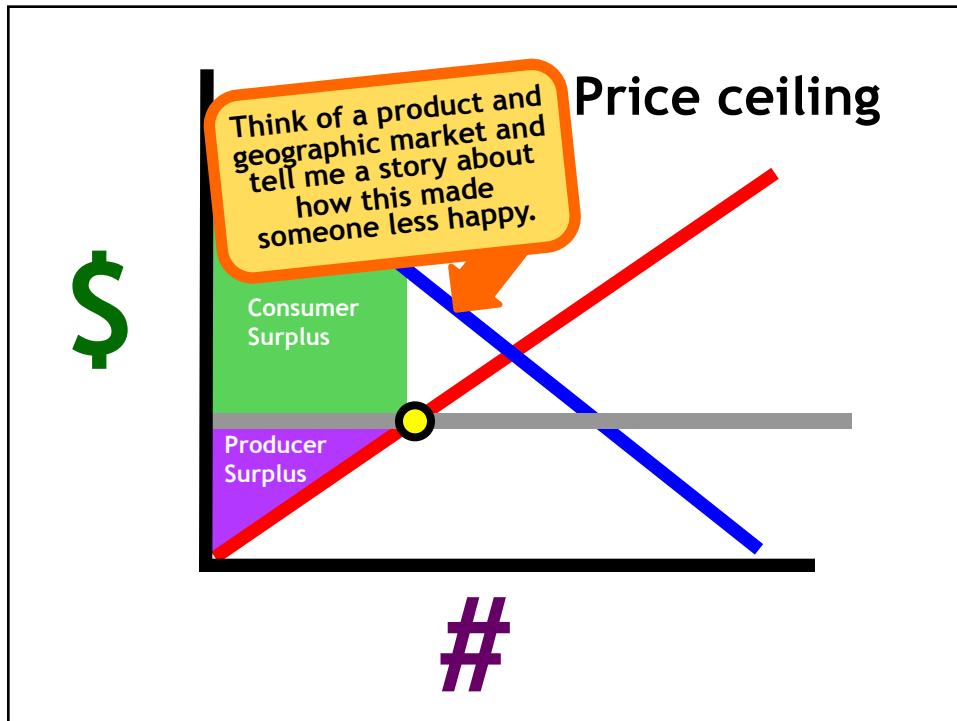
Antitrust
Eric E. Johnson
ericejohnson.com



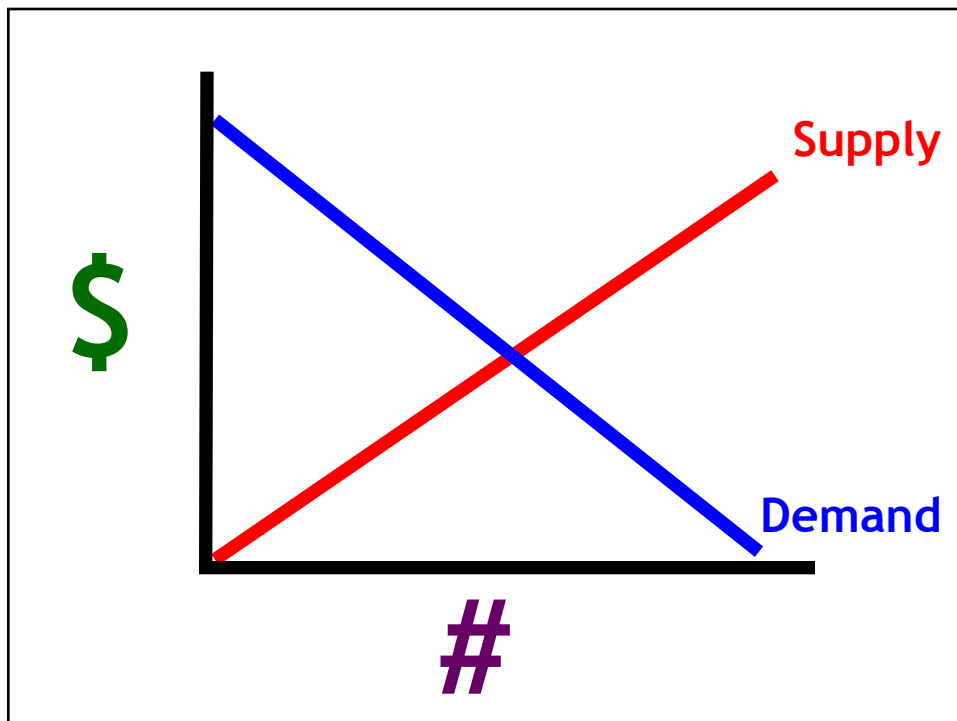
Konomark
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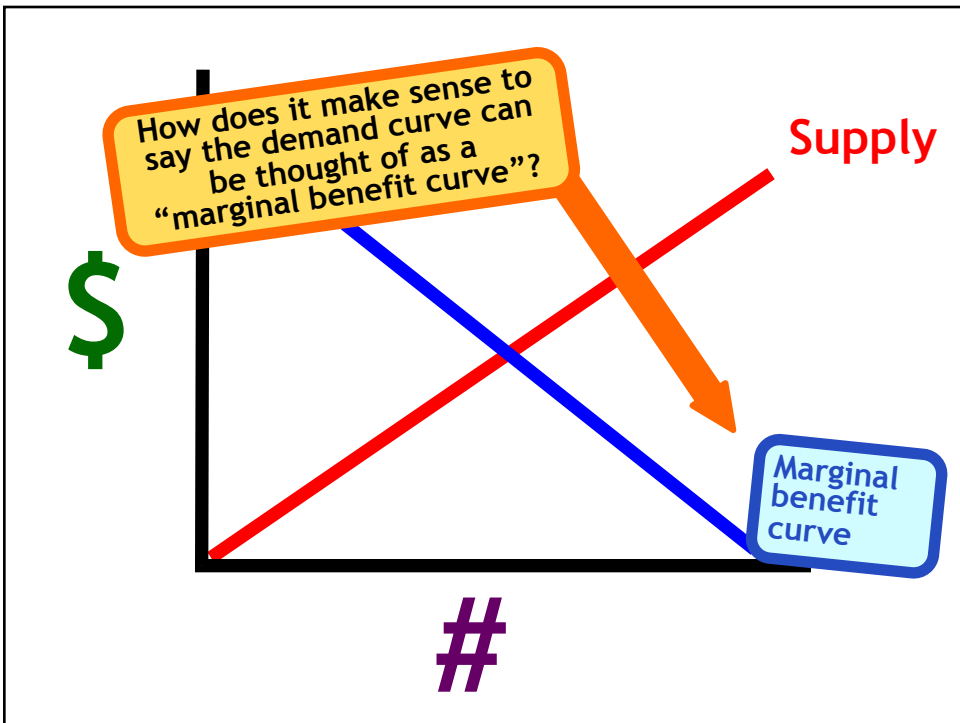
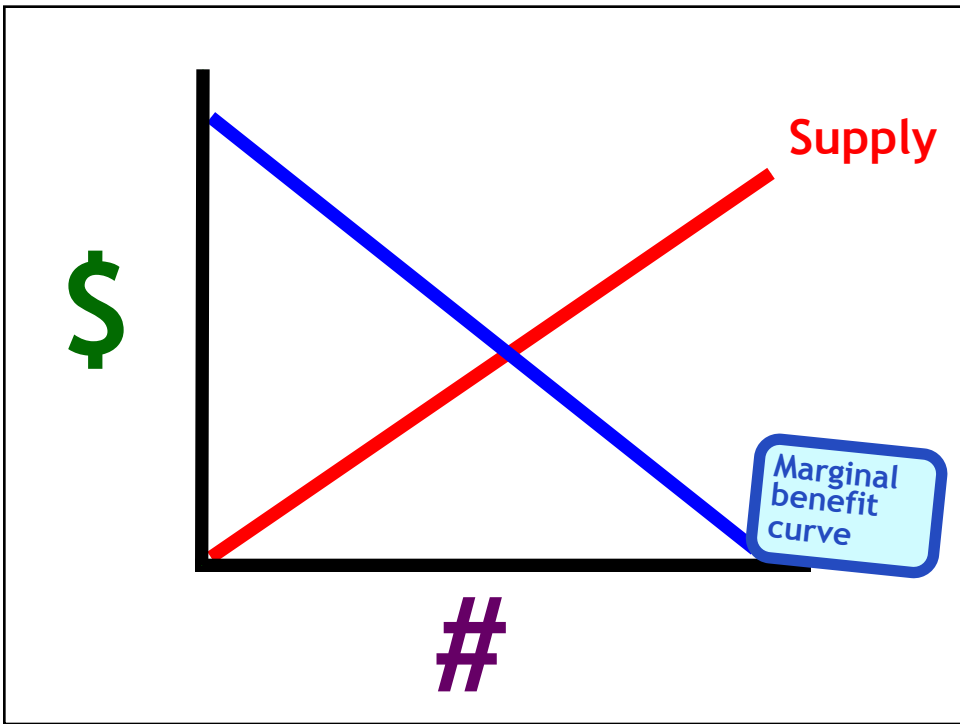


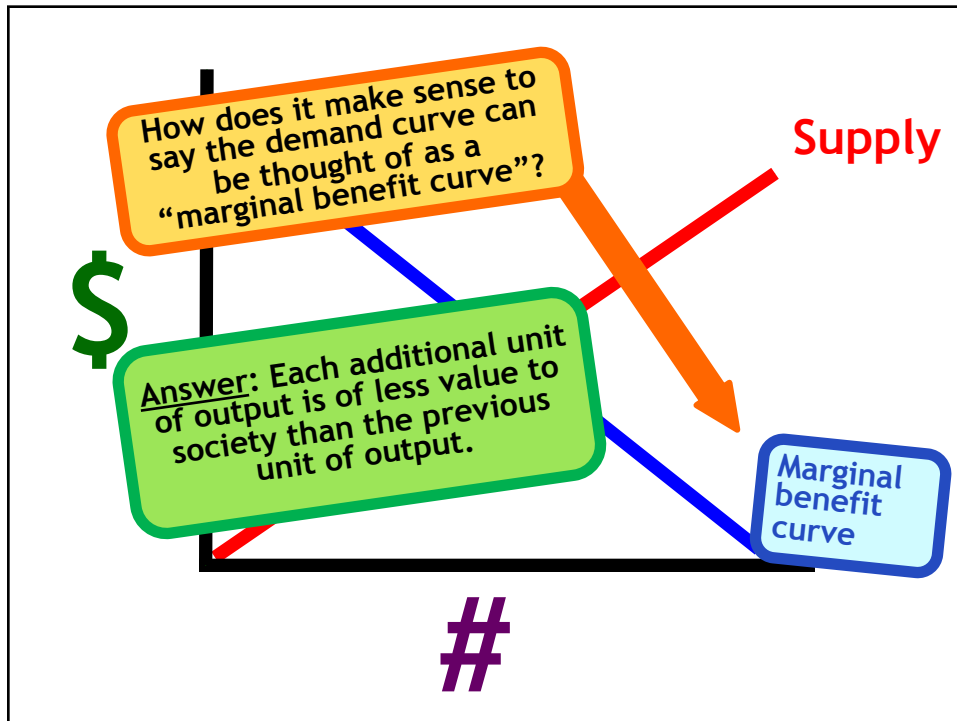




**Convince me that
in a competitive
market prices will
be driven down to
the cost of
production.**



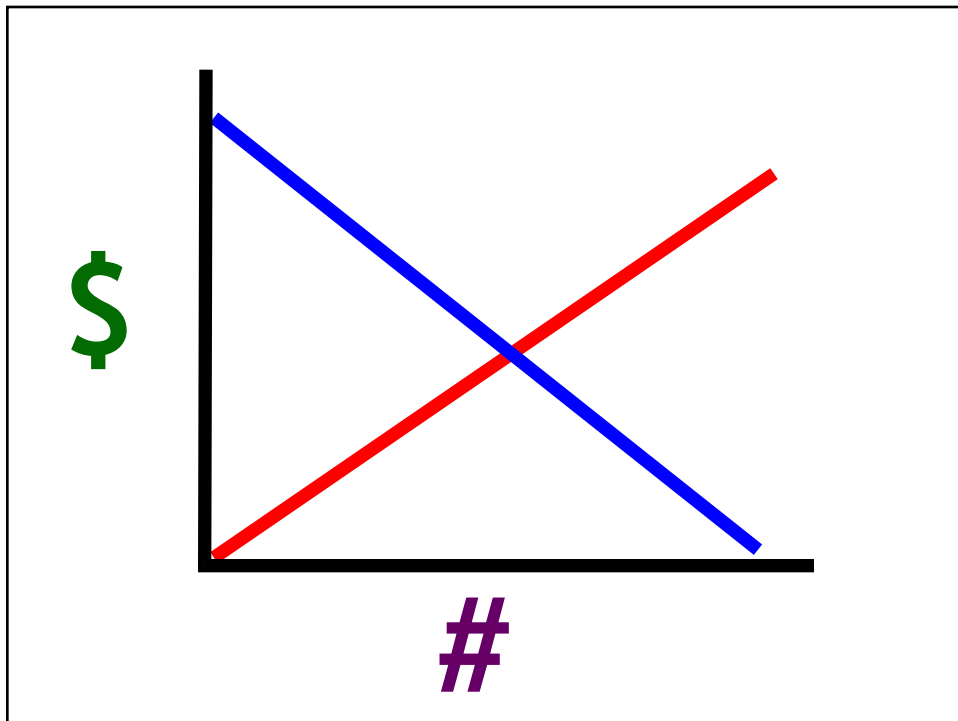




Convince me that if there is free and open competition and small economies of scale that the most efficient output of goods will be produced?

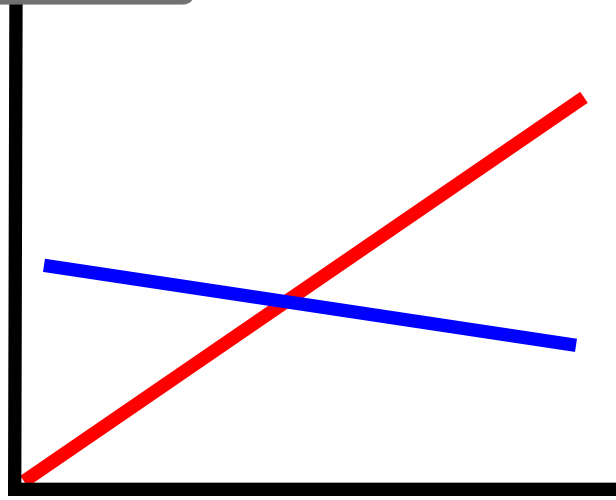
Convince me that if there is free and open competition, small economies of scale that the efficient output of goods will be produced?

Why did I specify "small economies of scale"?



What just happened?

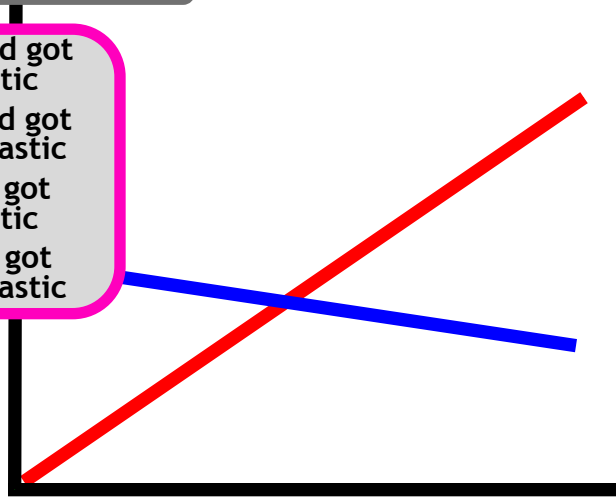
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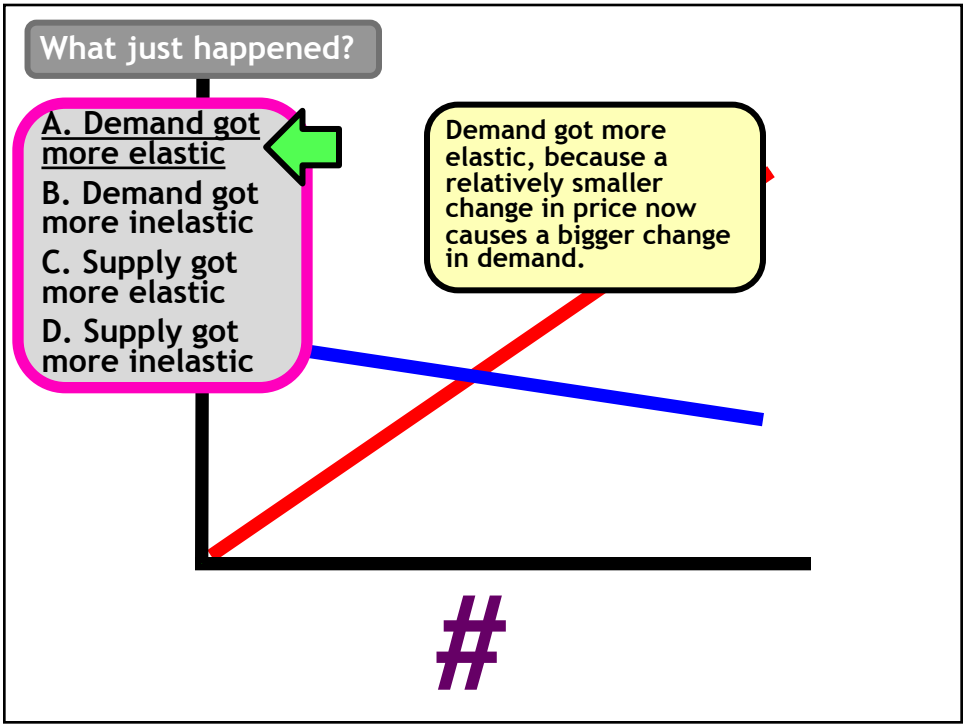
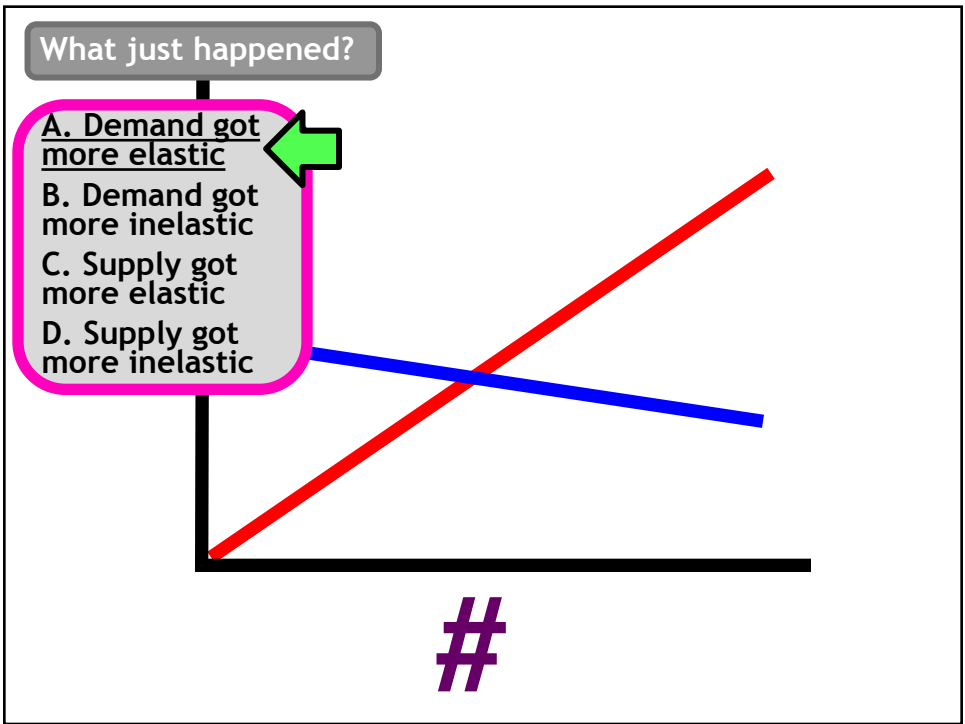
#

What just happened?

- A. Demand got more elastic
- B. Demand got more inelastic
- C. Supply got more elastic
- D. Supply got more inelastic



#



Survey

1. How could one fairly compare a market with a price ceiling set below the market equilibrium price with a monopoly market where there is no price discrimination?

(A) They are different because the price ceiling market will have deadweight loss, while the monopoly market will have a lack of allocative efficiency.

(B) They are different because the monopoly market will have deadweight loss, while the price ceiling market will have a lack of allocative efficiency.

(C) They are similar because both markets will have an output level that is lower than the most societally efficient output level.

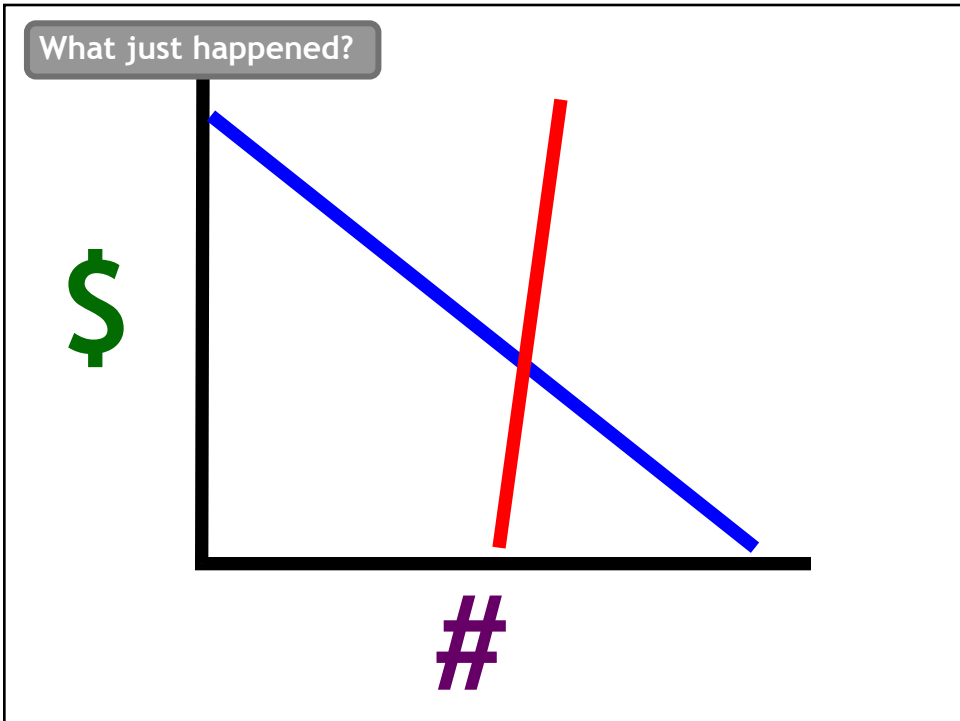
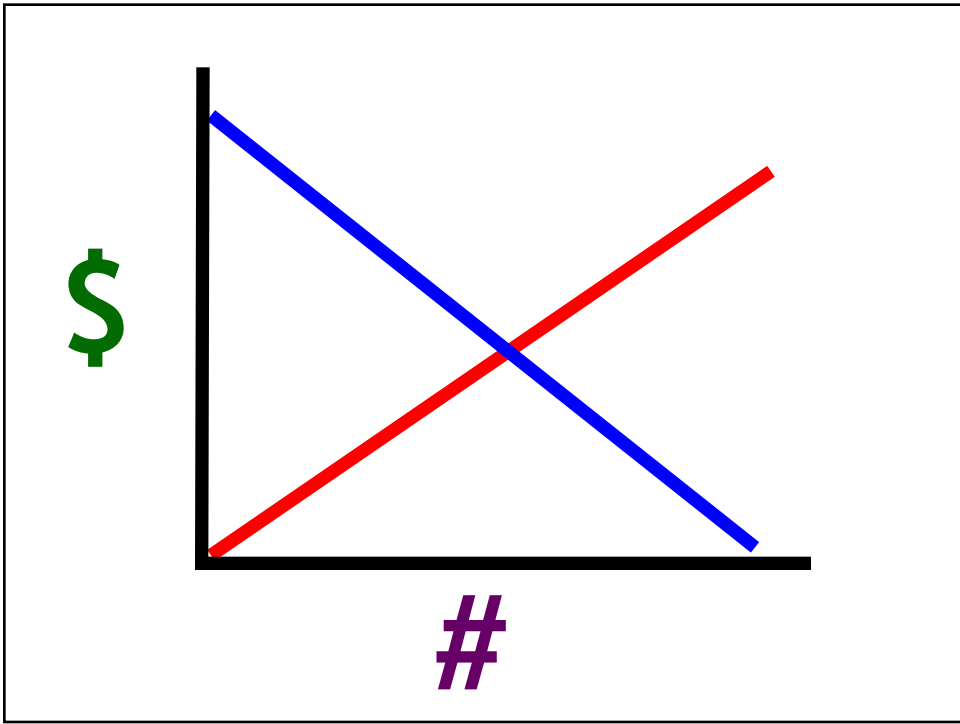
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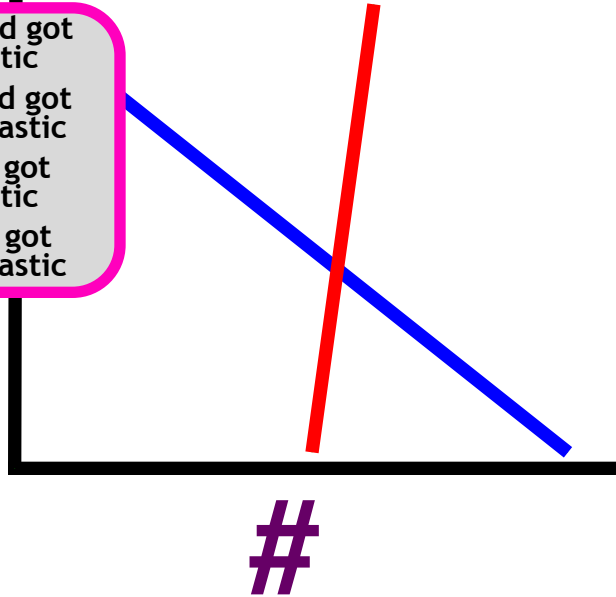
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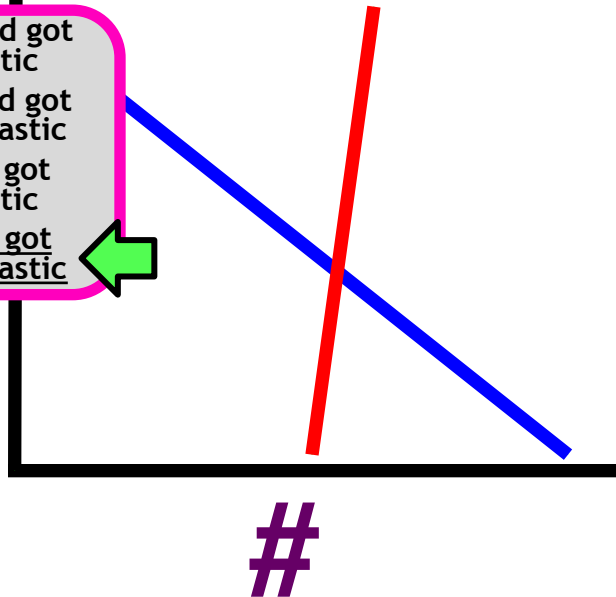
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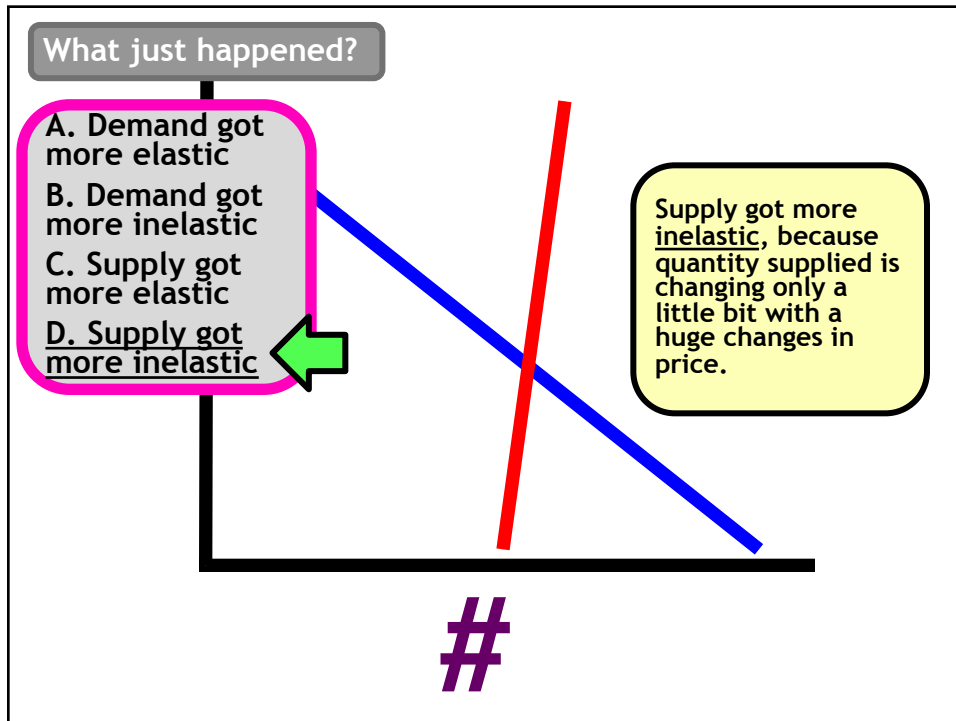
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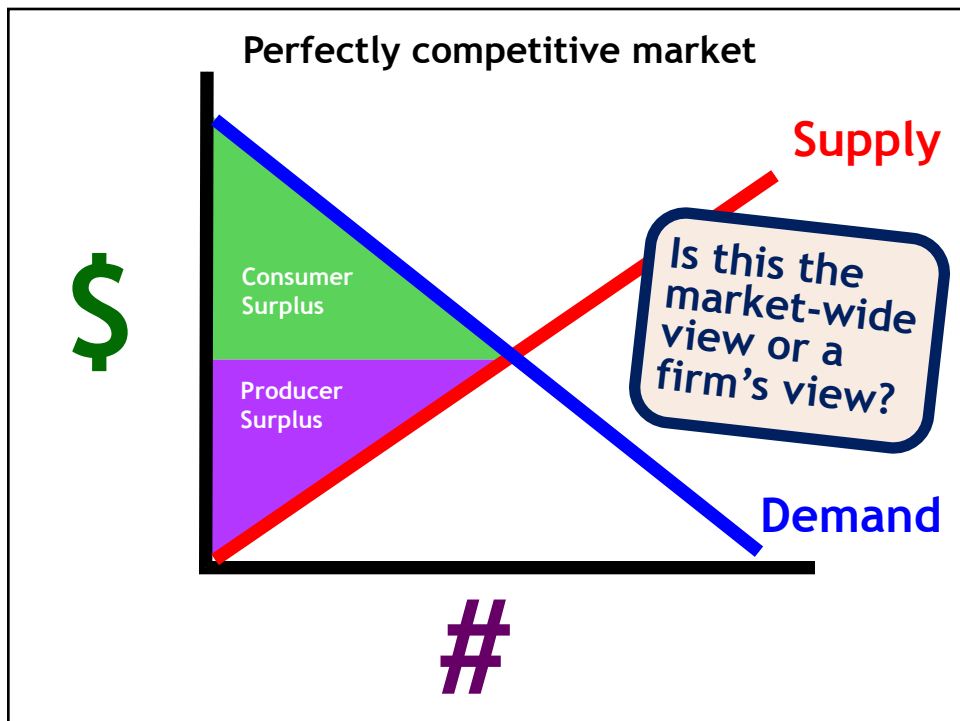
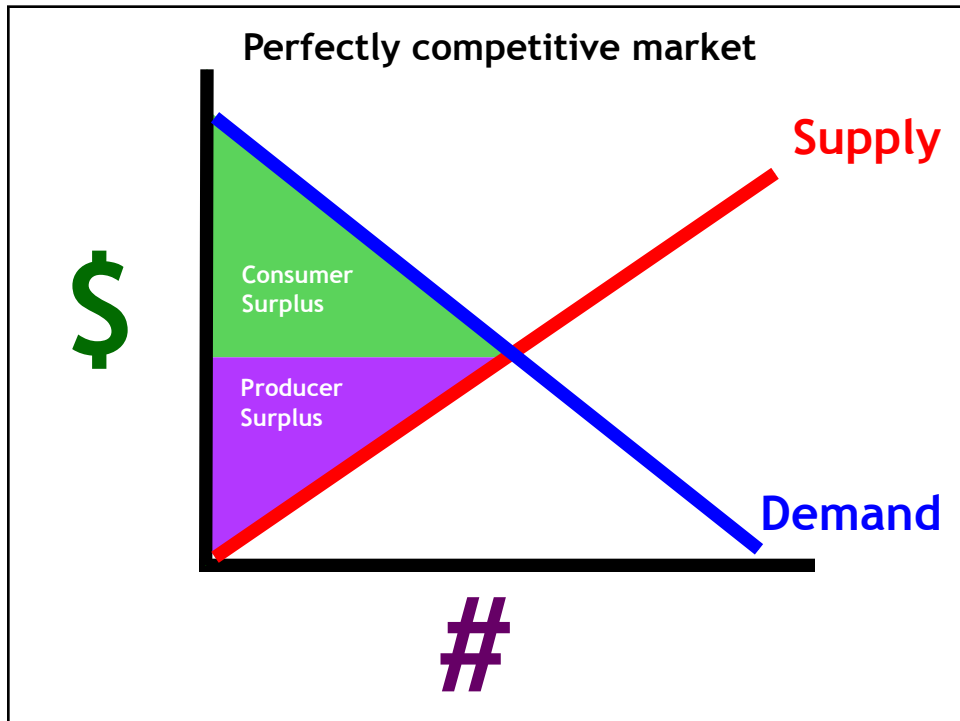
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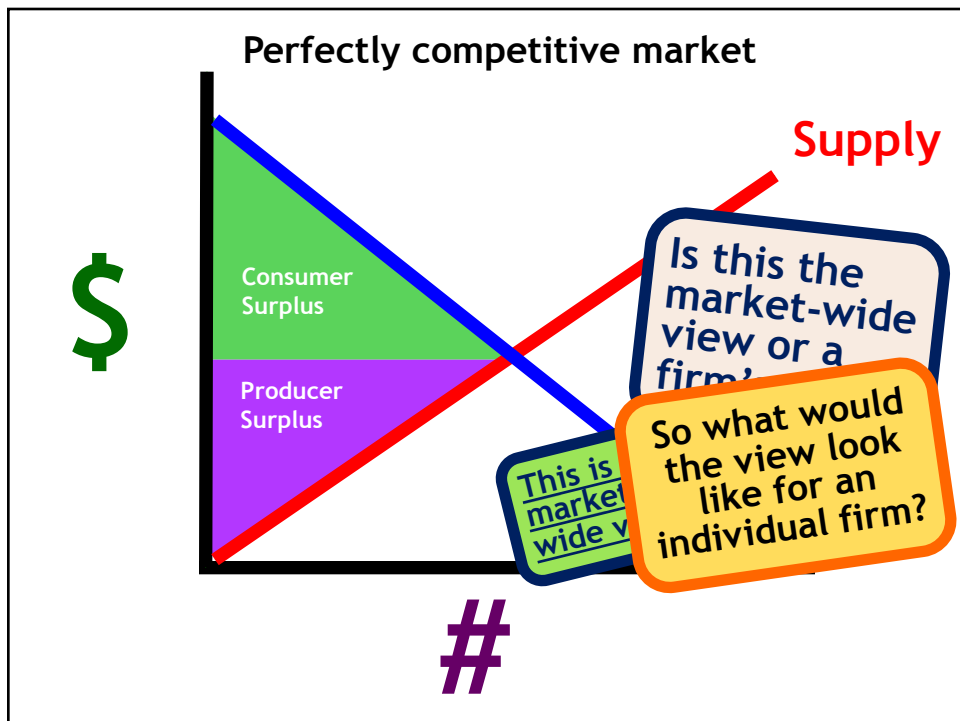
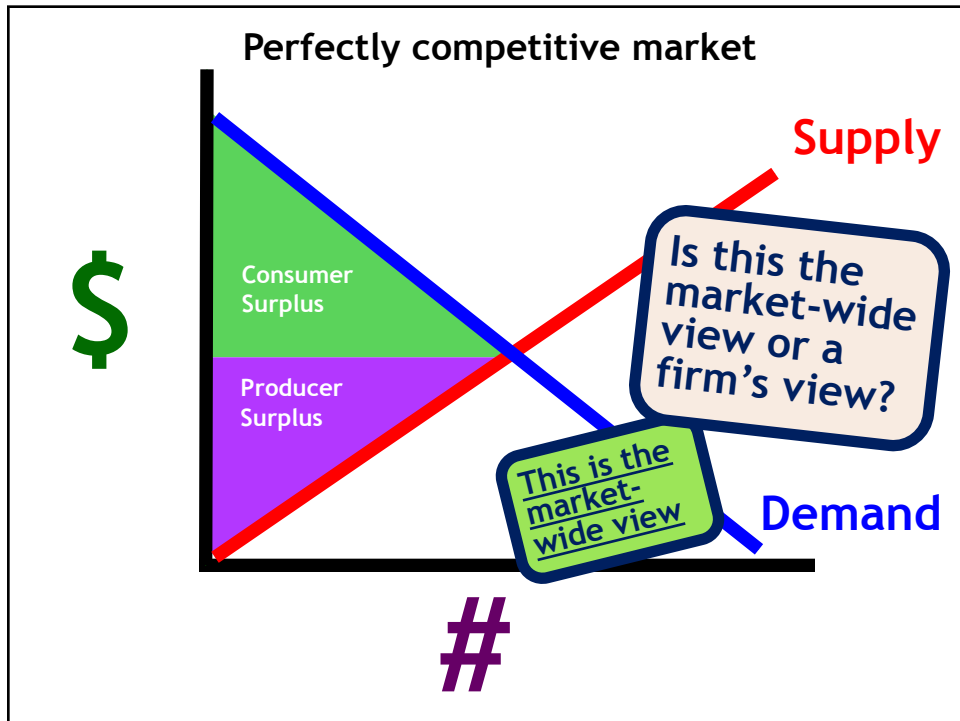
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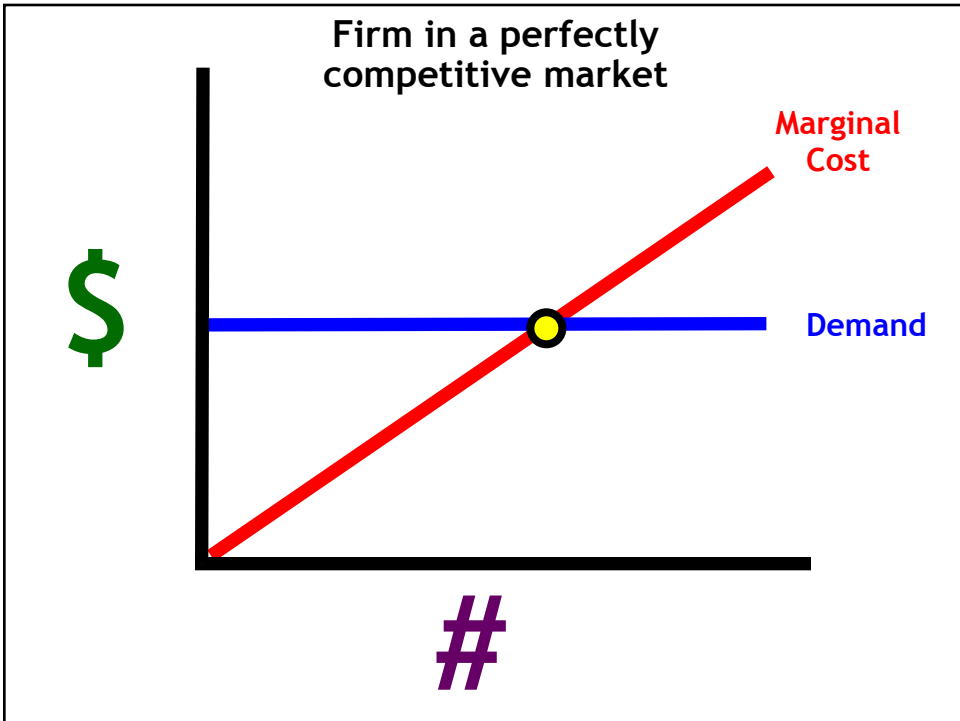
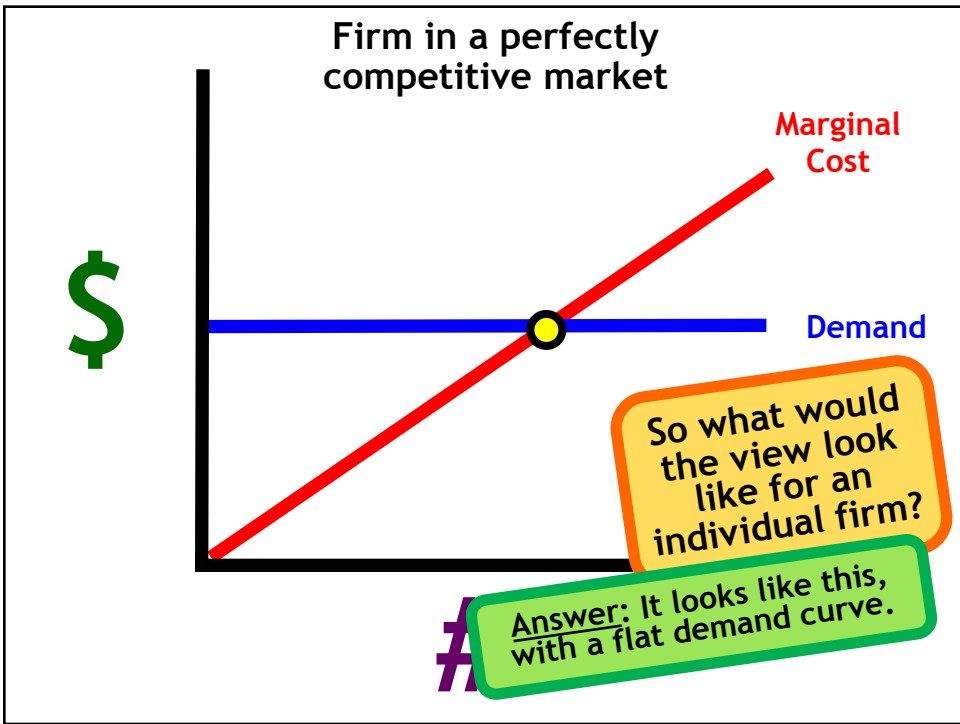


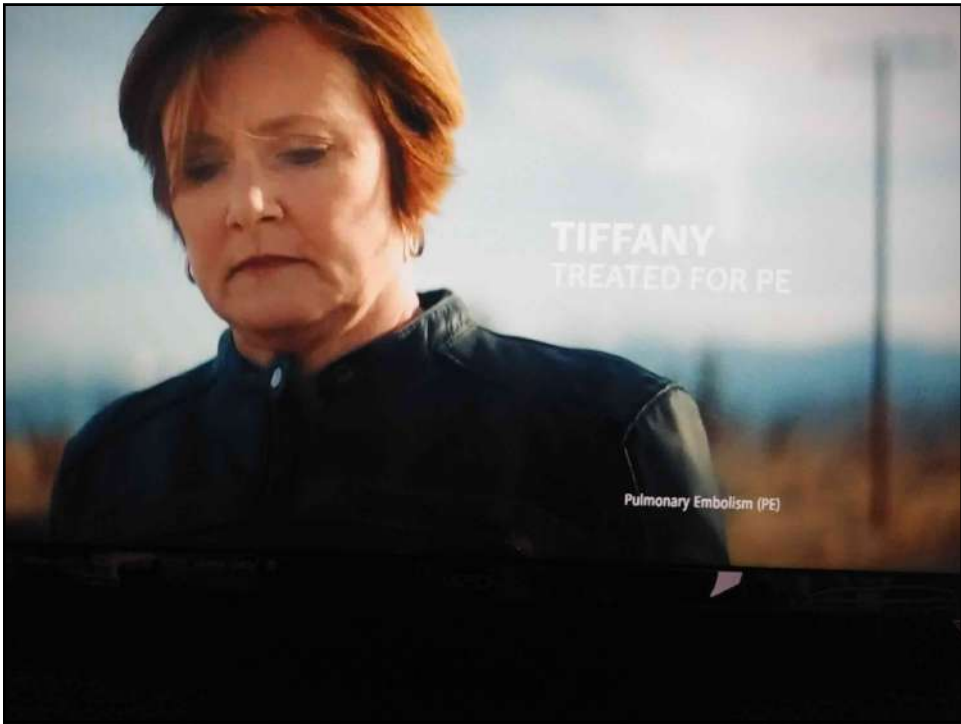


Convince me that in a monopoly market, assuming the monopolist cannot perfectly price discriminate, the output level will be below the most efficient level.











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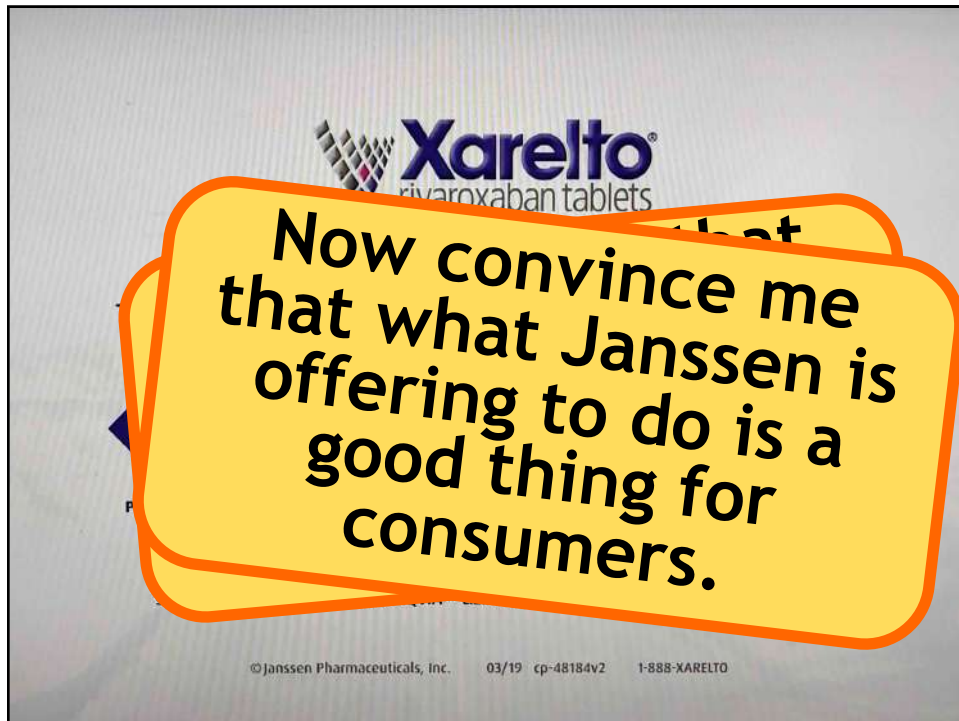
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**Convince me that
when Janssen says it
“can help,” what it
is offering to do will
help itself.**

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Survey

2. Which is the most plausible reason for how a monopolist could be allocatively efficient?
 3. Which is the most plausible reason for how a monopolist could be productively efficient?
- (A) The bottom of the monopolist's long-run average cost curve corresponds with total market demand.
- (B) The monopolist's average fixed costs are higher than its average total costs.
- (C) The monopolist perfectly price discriminates.
- (D) The monopolist picks a single price point that maximizes total revenue.

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