

## Unit 4: Market Structures and Market Failures

### Test Review Guide

Test Date: Friday, April 4<sup>th</sup>

Test Info: multiple choice, matching, true/false, short answer/response

Information to Know:

#### Section 7.1 & 7.2

- Key terms and definitions: market structure, perfect competition, commodity, monopoly, barriers to entry, market power, monopolistic competition, oligopoly, cartel, collusion
- Name and describe the four market structures
- Identify the barriers to entry in each market structure
- Know the chart on page 205

#### Section 7.3

- Key terms and definitions: antitrust activity, merger, deregulation
- What are the goals of U.S. antitrust activity?
- Name and describe the two types of mergers
- Explain how the U.S. uses a flexible merger policy
- Name and describe the two views of government regulation.
- Name the trends that have promoted competition in the U.S. economy

#### Section 3.3

- Key Terms and definitions: private goods, public goods, quasi-public goods, open-access goods, negative externalities, positive externalities
- Identify which goods are rival, nonrival, exclusive, and nonexclusive
- Identify examples of positive and negative externalities
- Identify the steps the government takes to regulate each type of good and externalities

**\*\* Do not forget to take the Chapter 7 Online Quiz!! Worth 2 participation points!\*\***

Email to Mrs. Drumm before your test: [mdrumm@hoover.k12.al.us](mailto:mdrumm@hoover.k12.al.us)