

YouTube Title: “It’s a Privilege to Pee” (Urinetown) http://www.youtube.com/watch?v=oBt6uMJSV_M
Video Length: 5:12 minutes

YouTube Title: “It’s a Privilege To Pee” – Urinetown <http://www.youtube.com/watch?v=WjfeJOYUjH4>
Video Length: 4:31 minutes

Chapter 24: Monopoly, p. 533

Topic: Market Power, p. 534

Key Terms: Monopoly, monopoly structure, monopoly pricing, market power

Learning Objective 3: How monopoly and competitive outcomes differ.

Economic Application

In the musical “Urinetown,” a twenty-year drought has caused a tremendous decrease in the supply of water, making private household toilets a thing of the past. All restroom activities are done in toilets controlled by a monopoly known as “Urine Good Company” or UGC. The UGC monopoly has control over all of the available water and thus has the ability to set the price that people “pay for the privilege to pee.”

Multiple-Choice Question

The twenty-year drought created a monopoly for the Urine Good Company (UGC), thus:

- a) they now compete with many other companies for the entire market supply of water.
- b) they now compete with a few dominant companies for the entire market supply of water.
- c) they now control the entire market supply of water.
- d) they now control the entire market demand for water.

Discussion Question

Describe the impact of the twenty-year drought on the market structure for water in “Urinetown.”