

**YouTube Title: "Oligopoly"** <http://www.youtube.com/watch?v=g3bweXzggtc&feature=related>

**Video Length:** 1:31 minutes

**Chapter 11:** Oligopoly, p. 239

**Key Terms:** Oligopoly, market power, monopoly, profit-maximization rule, barriers to entry

**Learning Objective 1:** The unique characteristics of oligopoly.

### Summary

This video features one woman asking another woman to repeat the definition of an oligopoly.

### Economic Application

In this clip, two women discuss the characteristics of oligopolies where several firms (rather than one or two) control the market for a good or service.

### Multiple-Choice Question

Which of the following is NOT characteristic of oligopolists?

- a) Maximize profits at  $MR = MC$ .
- b) Price setters
- c) Sell dissimilar products
- d) Protected by high barriers to entry
- e) Can maintain economic profits

### Discussion Question

Why might oligopolies choose to avoid price competition?