**Product Market Structures**

Which of the following best describes a market that is perfectly competitive?

(A)Lots of small firms facing no significant barriers to entry and producing a homogeneous product

(B)Lots of small firms facing significant barriers to entry and producing a homogeneous product

(C)Lots of small firms facing significant barriers to entry and producing differentiated products

(D)A single large firm facing significant barriers to entry and producing a unique product

(E)A few large firms facing no significant barriers to entry and producing a differentiated product

Monopoly power comes from

(A)Barriers to entry

(B)Elasticity of supply

(C)Shortages

(D)Absence of profits

(E)Open markets

A market is made up of 100 small businesses, and the largest business has only 2% market share. Brand names are important in the eyes of the consumer. What market structure is this?

(A)monopoly

(B)perfect competition

(C)monopsony

(D)oligopoly

(E)monopolistic competition

What is the best description of an oligopoly?

(A)A lot of sellers with homogenous products and no barriers to entry

(B)A lot of sellers, each firm has a distinctly differentiated product, and no barriers to entry

(C)A handful of sellers with homogenous products and no barriers to entry

(D)A handful of sellers with similar products and significant barriers to entry

(E)No competition among sellers and significant barriers to entry