

Learning Objectives

Chapter 17

In this chapter you will

Identify the main characteristics of an oligopolistic market structure
Examine what outcomes are possible when a market is an oligopoly
Learn about the prisoners' dilemma and how it applies to oligopoly and other issues
Consider how competition laws try to foster competition in oligopolistic markets

You should be able to

Describe the characteristics of oligopolistic competition
Describe the conditions under which an oligopolistic market generates the same outcome as a monopolistic market
Describe the prisoner's dilemma and apply the principle to a market structure setting
Show why the outcome of the prisoners' dilemma may change if the game is repeated
Show why some business practices that appear to reduce competition may have a legitimate business purpose
Outline the main features of EU competition law

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