

IC #16 Key (4-28-09)

1. Which of the following is true for a perfectly competitive firm but NOT for an imperfectly competitive firm?

- a. the firm has both fixed and variable costs in the SR -2
- b. the firm has no control over output -3
- * c. the firm is a price taker in its goods sold market -0
- d. the firm is a price setter in its goods sold market -3
- e. the firm's product is significantly different from the product of other firms in the industry -2

2. Charging different prices for the same product to different customer groups is known as:

- a. mark-up pricing -2
- b. hedging -3
- c. economies of scale -3
- d. collusion -3
- * e. price discrimination -0