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| 1.  Choose a market or industry that you think is close to perfectly competitive.  Then, explain whether or not your choice meets each of the characteristics: 1) Many Buyers & Sellers 2) Identical (homogeneous) Products 3) Easy Market Entry & Exit.  Is the market really perfectly competitive?  Can absolute perfect competition exist in the “real world?”    2.  Take a look at the latest annual report for the Tennessee Regulatory Authority at:  [http://www.state.tn.us/tra/reports/annualrpts/anlrpt1213.pdf](http://www.tn.gov/assets/entities/tra/attachments/anlrpt1314.pdf)  What types of industries does TRA regulate? Choose a specific company that would fall within one of those industries. Why is this firm (and others within the industry) regulated?    3.  Do each of the characteristics of monopoly: 1) Product Differentiation 2) Many Sellers 3) Free Entry section apply to the firm you have chosen in question #2?  Explain why or why not each characteristic would or would not apply to your firm. |
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