**LEARNING GUIDE**

**Directions:** Answer each of the following questions. Use a separate sheet of paper to record   
your responses.

**Objective A**

1. What is competition?

2. Explain direct competition.

3. Explain indirect competition.

4. Why do many businesses use price competition?

5. What are four examples of price competition?

6. Why do some businesses use nonprice competition?

7. What are five examples of nonprice competition?

**Objective B**

8. What is perfect competition?

9. What is monopolistic competition?

10. What is an oligopoly?

11. Explain the difference between a monopoly and a regulated monopoly.

12. What is the aim of the Sherman Antitrust Act?

13. What types of business actions does the Clayton Act prevent?

14. What regulatory agency did the Federal Trade Commission Act create? What is the purpose of that regulatory agency?

15. What does the Robinson-Patman Act prohibit?

16. In what circumstances does the Celler-Kefauver Antimerger Act protect competitors   
from takeovers?

**Objective C**

17. Explain three ways that competition benefits business.

18. Explain five ways that competition benefits consumers.

19. Explain three ways competition benefits society.