**DIRECTIONS TO THE INSTRUCTOR FOR GROUP ACTIVITY 1**

**Preparation:** Write the following question on the board: “What would happen if competition were abolished tomorrow?”

**Process:** Dividethe class into groups of three to five students each. Ask each group to   
select a recorder and a reporter. Each group is to determine the results of abolishing   
competition. During each group’s discussion, the recorder should make notes on the key points that come up. When everyone is ready, the reporter of each group should explain their group’s responses to the rest of the class. Answers will vary; however, some key   
points include:

• Higher prices

• Availability of fewer goods and services

• Barriers to new businesses that want to enter the market