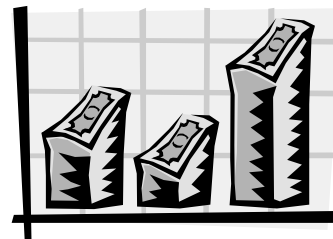


**KOFA HIGH SCHOOL SOCIAL SCIENCES DEPARTMENT**

**ECONOMICS**

**VIDEO STUDY GUIDE # 10 - MONOPOLY**



**TERMS THAT YOU MAY NEED INFORMATION ON :**

- 1. UNIVERSAL SERVICE - THE CONCEPT THAT IT WAS IN THE BEST INTEREST OF THE UNITED STATES TO FACILITATE HAVING A PHONE IN EVERY HOME AND A PUBLICLY ACCESSABLE PHONE ON EVERY STREET AND BUILDING LOBBY**

**\*\* STORY # 1 > JOHN D. ROCKEFELLER , HIS COMPANY STANDARD OIL AND THE CREATION OF THE OIL INDUSTRY**

**BY 1890 , WHO CONTROLLED ALL THE OIL THAT WAS PRODUCED ?**

**ROCKEFELLER'S STRATEGY TO DOMINATE THE OIL INDUSTRY WAS NOT TO DRILL FOR OIL , BUT TO TAKE CONTROL OF WHAT TWO ASPECTS OF THE INDUSTRY ?**

- 1.**
- 2.**

**IN 1890 THE \_\_\_\_\_ ACT MADE IT ILLEGAL TO OBTAIN A \_\_\_\_\_ AND TO FORM A TRUST TO CONTROL MARKETS AND PRICES**

**BY 1911 ROCKEFELLER'S MONOPOLY HAD BEEN SHATTERED BY WHAT / WHO ?**

**MONOPOLIES ALMOST ALWAYS RESULT IN LOW \_\_\_\_\_ , HIGH \_\_\_\_\_ , AND HIGH \_\_\_\_\_**

**AFTER HIS GRAPH ILLUSTRATION , MR. GILL SAYS THE MONOPOLIST IS OUT TO MAXIMIZE \_\_\_\_\_ , NOT TO TAKE THE CUSTOMER FOR ALL HE / SHE IS WORTH**

**\*\* STORY # 2 > THE CREATION OF THE “NATURAL MONOPOLY ” AND THE TELECOMMUNICATIONS INDUSTRY**

**IN THE EARLY 1900s ALEXANDER GRAHAM BELL'S TELEPHONE PATENT RUNS OUT. WHAT HAPPENS ?**

**AT&T OWNS THE LONG DISTANCE MARKET AND BEGINS TO DO WHAT TO THE INDEPENDENT PHONE COMPANIES ?**

**FEELING THE PRESSURE OF POTENTIALLY BEING SUED AS A MONOPOLY, THE EXECUTIVES OF AT&T PROPOSE THAT THE GOVERNMENT SHOULD LET THEM BE A WHAT ?**

**TO CONVINCE THE GOVERNMENT AT&T USES THE ARGUMENT THAT**

**PROVIDING \_\_\_\_\_ WOULD BE IN THE “PUBLIC'S INTEREST ”.**

**WHAT NEW TECHNOLOGY WAS DEVELOPED DURING WORLD WAR II THAT CHANGED THE TELECOMMUNICATIONS INDUSTRY ?**

**WHAT DID THIS NEW TECHNOLOGY MAKE FEASIBLE ?**

**MR. GILL POINTS OUT THAT ..... SOME FORM OF REGULATION ( SUCH AS SETTING UP A NATURAL MONOPOLY ) IS SOME TIMES NEEDED TO ENSURE THAT \_\_\_\_\_ SERVICES ARE AVAILABLE AT \_\_\_\_\_**

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**\*\* STORY # 3 > MICROSOFT AS A NEW AGE MONOPOLY**

**BY THE 1990s MICROSOFT DOMINATED 90 % OF THE PERSONAL COMPUTER OPERATING SYSTEM MARKET , BUT WHAT TYPE OF PRODUCT BECAME A THREAT TO MICROSOFT'S MONOPOLY OVER OPERATING SYSTEM SOFTWARE ?**

***FAMOUS ATTORNEY DAVID BOIES SAYS THAT MICROSOFT , LIKE STANDARD OIL , USED IT POWER TO DO WHAT ?***

***ECONOMIC ANALYST NARIMAN BEHRAVESH SAYS THAT ONE GOAL ( THE MOST IMPORTANT GOAL ) OF THE GOVERNMENT'S ANTI-TRUST CASE WAS TO PREVENT MICROSOFT FROM DOING WHAT ?***

***NARIMAN BEHRAVESH SAYS THAT WE MUST BE VIGILANT IN MAKING SURE THAT NOTHING GETS IN THE WAY OF DEVELOPING NEW \_\_\_\_\_***