



[Glossary]

Monopolistic Competition

Subject:	Business Economics
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Unit No. & Title:	Unit – 1 Markets with Imperfect Competition
Lecture No. & Title:	Lecture – 2 Monopolistic Competition

Glossary

Abnormal/ supernormal profit an extra profit achieved over normal profit where average revenue is more than total average cost.

Cross elasticity Change in the price of one good affects the demand of other positively or negatively. The high rate of influence is called high cross elasticity.

Elasticity It is a measure of a variable's ability to change or affect other variables at a particular degree.

Equilibrium A state of satisfaction after achieving that no one wants to fluctuate until the next more satisfactory point is achieved.

LAC Long run average cost.

LAR Long run average revenue.

Monopsony A type of market structure where there is only one buyer.

Oligopoly A type of market structure where there are few sellers.

Patents A governmental approval to someone (company, individual etc.) to exclude anyone from using, making, selling an invention by them.

Product group Industries which are producing differentiated goods.

Trademarks A symbol legally registered by a company or product used only by them.