

Glossary:

SCP: Structure Conduct Performance Paradigm

Structure: it refers to industry structure, measured by such factors as the number of competitors in an industry, the heterogeneity of products, and the cost of entry and exit.

Conduct: it refers to specific firm actions in an industry, including price taking, product differentiation, tacit collusion, and exploitation of market power.

Performance: it has two meanings: the performance of individual firms and the performance of the economy as a whole.