**COMPETITION**

Competition **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** economic life. Prices, wages, methods of production, types and quantities of products, the size and organization of business firms, the distribution of resources, and people’s incomes – all result from **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** processes.

Consider market prices for **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** goods. The baker has bread **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**, a valuable good for which consumers are willing to compete by offering a **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**. The baker wants to get the highest price possible, but he is **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** If he sets his price too high, **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** may not buy all that he has produced. They could get it from his **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** or even get another product instead. So the baker sets a price that he thinks will *clear the market.* That price is determined by customers’ willingness to **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** for his product, and by the price set by his **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**.

An identical process occurs with **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** goods. A steel plant has a supply of steel on hand, for which various companies and equipment manufacturers are competing. The firm wants to get as much **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** as it can, taking into account the willingness of its customers to pay and the threat of lower offers from its rivals. The customers want the lowest price possible, taking into account that rival customers may **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** them. This **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** competition will again set a price that clears the market (*a market-clearing price*)

**OUTBID** TWO–SIDED **PRODUCER** COMPETITORS **CUSTOMERS** CONSTRAINED **COMPETITION** PRICE **COMPETITIVE** PERMEATES **IN STOCK** CONSUMER  **COMPETE** REVENUE

**Synonyms:**

Limit, Restrict, Bind- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; Income, Earnings, Profit- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;

On hand, Available, On/For sale- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; Bilateral- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;

**Antonyms:**

Unilateral, one-sided- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; Allow, Free, Loosen, Encourage- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;

Out of stock, Unavailable, Unmarketable, Unprocurable-\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Translate:**

two–sided- ­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; permeate- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; In stock- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;

revenue- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; constrained- \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_;

\* **Market clearing** is the process by which the supply of whatever is traded is equated to the demand, so that there is no leftover supply or demand.

\* **A market-clearing price** is the price of a good or service at which quantity supplied is equal to quantity demanded, also called the **equilibrium price**.

\* **Property rights** define the theoretical and legal ownership of resources and how they can be used. These resources can be both tangible or intangible, and can be owned by individuals, businesses, and governments.

PROPERTY RIGHTS

 The fundamental requirement of a market economy is a strong system of **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**. A property right is the exclusive **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** to determine how to use and service a resource. Thus, for example, the **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** of an apartment with complete property rights to the apartment has the right to
**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** whether to rent it out or to live in it himself. He has the right to determine which **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** to rent the apartment to. He can also use it in any other way. If the owner rents out the apartment, he also has the right to all the after-tax rental **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** from the property.
 *A private property right includes the right to* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_***, rent, or sell any portion of the rights by* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  *or gift at the price the owner determines.*

 *The three***\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** *elements of private property are (1)* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  *of rights to the choice of use of a resource, (2) exclusivity of rights to the services of a resource, and (3) rights to exchange the resource at* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  *agreeable terms.*

MUTUALLY **EXCHANGE** DELEGATE **INCOME** OWNER **PROPERTY RIGHTS** AUTHORITY **DETERMINE** TENANT **BASIC** EXCLUSIVITY

**Translate the text in *italics***

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_