Problem 7.1
Table 7.13: Experimental Outcomes: Session 2
| Mean Price | $15.00          |
| Total Number of Units Sold | 24               |
| Total Profits of All Firms | $240.00          |
| Total Consumers’ Surplus   | $49.00           |
| Sum of Firms’ Profits and Consumers’ Surplus | $289.00 |

Problem 7.2
Part a)
At prices below $5, how many units will the firm supply? 0
At prices above $5, how many units will the firm supply? 100

Parts b and c)
Figure 7.6: Competitive Supply and Demand

Problem 7.3
Table 7.14: Competitive Predictions
| Mean Price | $5          |
| Total Number of Units Sold | 36               |
| Total Profits of All Firms | $0             |
| Total Consumers’ Surplus   | $366           |
| Sum of Firms’ Profits and Consumers’ Surplus | $366 |
Problem 7.4
Table 7.15: Monopoly Predictions
Mean Price $15
Total Number of Units Sold 24
Total Profits of All Firms $240
Total Consumers' Surplus $54
Sum of Firms' Profits and Consumers' Surplus $294

Problem 7.5
Which of the two theories comes closer to predicting the results of Session 2? Monopoly Theory

Problem 7.6
Table 7.16: Experimental Outcomes: Session 3
Mean Price $7.89
Total Number of Units Sold 38
Total Profits of All Firms $110.00
Total Consumers' Surplus $278.00
Sum of Firms' Profits and Consumers Surplus $388.00

Problem 7.7
Which of the two theories comes closer to predicting the results of Session 3? Competitive Equilibrium Theory

Problem 7.8
Table 7.17: Experimental Outcomes: Session 4
Mean Price $12.50
Total Number of Units Sold 36
Total Profits of All Firms $270.00
Total Consumers' Surplus $96.00
Sum of Firms' Profits and Consumers' Surplus $366.00

Problem 7.9
Part a) In which session did firms make larger profits? Session 4
Part b) In which session was total consumers' surplus larger? Session 4
Part c) In which session was the sum of firms' profits and consumers' surplus larger? Session 4

Problem 7.10
Part a) The market efficiency of the experimental outcome in Session 2 = 79%
Part b) The market efficiency of the theoretically predicted outcome for a profit-maximizing monopoly in Session 2 = 80%