

### **1998: Big Brother's "X" Phase**

1998-1999

a. What is the "zero-consumption model" of regulation?

b. What is the purpose of regulation?

"What is the difference in the following two rules? Rule A: Efficiency will be important than consumer welfare more than cost?"

c. Differentiate regulation from market entry rules and economic regulation. See脚注 for help.

④ Describe the three basic approaches of such an approach  
Mark one:

Single Standard Licensing procedure

Preference (discretion to regulate or not regulate?)

State preference (choose standard function in different regions)

⑤ R, T, C model

Licensing Standard

Licensing control

Standard fragmentation

State control

Liquor

d. Why is the licensing standard more than state by state fragmentation?

e. Who can regulate the liquor with greater efficiency are expected? Why do some with greater efficiency while others do not? Do you think consumers matter to business?