1. Standard Oil of New Jersey (1911) and Alcoa (1945) are usually considered to represent polar positions of the Courts with respect to the standards of proof required for successful prosecution of monopolization under Section 2 of the Sherman Act. Yet these opinions are similar in that they both reach their conclusions based on their (differing) views of the appropriate standards of proof for Section 1 cases.

Compare and contrast these judicial opinions and explain the connections to interpretations under Section 1.

2. In Alcoa, Judge Learned Hand concluded that the 90% market share attributed to Alcoa under one definition of the relevant market was "enough to constitute a monopoly." The remaining 10% were accounted for by imports of virgin aluminum. From an economic point of view, explain why the elasticity of import supply would be an important determinate of the ability of Alcoa to set price above marginal cost, even if the share of imports was only 10%. Use a diagram!

3. (a) Briefly explain what is meant by each of the following antitrust terms:

incipiency secondary line injury reasonable interchangeability
conscious parallelism intrabrand competition

(b) Match each of the antitrust cases listed below with the above concept most relevant to it:

<table>
<thead>
<tr>
<th>GTE Sylvania</th>
<th>Brown Shoe</th>
<th>A&amp;P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morton Salt</td>
<td>DuPont (1956)</td>
<td>Schwinn</td>
</tr>
<tr>
<td>American Tobacco</td>
<td>Theatre Enterprises</td>
<td>Von's</td>
</tr>
</tbody>
</table>

4. In the context of Northern Pacific, Arnold Schwinn, and GTE Sylvania, discuss the evolution of the Court's attitude toward the issues raised by vertical restraints.

5. Taft's opinion in Addyston Pipe has been referred to as "the high-water mark of rational antitrust doctrine." What is your evaluation of this enduring precedent?

6. "Antitrust's concern with vertical mergers is mistaken. Vertical mergers are means of creating efficiency, not of injuring competition." Do you agree or disagree? Explain your reasons.

7. "The power of a dominant firm to raise price above marginal cost depends more upon the supply elasticity of the competitive fringe than on the fringe's share of the market." Do you agree or disagree? Support your position with a diagrammatic analysis.

8. Territorial limitations and resale price maintenance are forms of vertical restraints that have both been held to be per se violations of Section 1 of the Sherman Act. Discuss the economic issues raised by each and the evolution toward their current legal status.