MONOPOLIZED MARKET KOKAND BRANCH of TASHKENT STATE TECHNICAL UNIVERSITY NAMED ISLAM KARIMOV

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Annotation: The monopolized market is one of the important factors that have a negative impact on the state economy. Significant efforts are made to end monopolies worldwide. This acticle defines the monopolized market, examines the reasons for its emergence, and analyzes the work being done to combat it.

Key words: Market, monopoly, free competition, price, production, oligopoly, company, quality, customers, sellers, capital.

Introduction: Economy is like a living organism. Each element in it, each member has its own function. If resources are allocated to each of them based on the existing situation, if they are developed in harmony with each other, the whole organism, that is, the economy, will develop as described in the brochure. But there are also diseases that prevent the growth of this organism, and eventually cause it to get sick and decay. In particular, there is a disease that can be compared to cancer in the language of economists, which has enormous destructive power in derailing the economy. This vice is monopoly.

A monopoly is a type of economic system in which a product or service can be produced, distributed, owned, or sold by only one company or organization. In monopolies, the company owns the purchase price and type of products through its established management bodies.

In economics, a monopoly refers to a market situation where a single firm dominates the entire industry, significantly limiting competition. Monopolies often arise due to various factors such as legal barriers, economies of scale, and technological superiority. Monopolistic practices can result in adverse consequences, including higher prices, reduced output, and limited consumer choice.

Monopoly, is a concept that refers to a market structure in which a single seller or producer controls the entire supply of a particular product or service. This leads to limited competition, higher prices for consumers, and potential barriers to entry for new competitors. The history of monopolies dates back to ancient times, with notable examples including the East India Company in the 17th and 18th centuries and Standard Oil in the late 19th and early 20th centuries.

In modern times, tech giants like Google, Facebook, and Amazon have come under scrutiny for their dominance in their respective industries.

One of the key figures in the study of monopolies is John D. Rockefeller, the founder of Standard Oil. Rockefeller's company controlled over 90% of the oil refineries in the United States by the late 19th century, leading to accusations of anti-competitive behavior and unfair business practices. In 1911, the Supreme Court ruled that Standard Oil was in violation of the Sherman Antitrust Act and ordered the company to be broken up into smaller entities. This landmark case set a precedent for the regulation of monopolies in the United States.

Barriers to market entry:

1. Legal Barriers: Government-issued licenses or exclusive rights can serve as barriers to new entrants, granting a dominant firm a monopoly. In Monopolized market, Firm A possesses such licenses, effectively preventing potential competitors from entering the market. This restriction limits consumers' ability to choose from a range of products or services, ultimately diluting market efficiency.
2. Market Domination: Monopolized market's aforementioned firm possesses near-total control over the industry. This level of dominance enables Firm A to influence market conditions, including pricing and supply. With limited or no competition, the firm can inflate prices, leading to decreased consumer welfare and potentially deterring potential entrants.

The existence of high barriers to entry is another characteristic of a monopolized market. These barriers can take various forms, such as legal or regulatory restrictions, high start-up costs, or the ownership of key resources. In some cases, the dominant firm may actively create and maintain these barriers to prevent potential competitors from entering the market. For instance, Microsoft's control over the operating systems market in the 1990s was strengthened by its bundling of internet browsers with its Windows operating system, making it difficult for rival browsers to gain market share.

Negative aspects of monopolized market

1. Inefficiency: Monopolies often result in allocative and productive inefficiencies. The monopolistic firm may not produce at the socially optimal quantity. Instead, they maximize profits by restricting output to only supply levels where marginal costs equal marginal revenue. This limitation reduces overall market efficiency and can lead to a misallocation of resources.
2. Higher Prices: Monopolized market's monopolistic firm has the ability to control prices due to a lack of competitive pressure. This situation leads to consumers paying higher prices for goods or services than they would in a more competitive market. Consequently, households may experience a decrease in

purchasing power, limiting their ability to access essential monopolized goods market, also and known services.

3. As reduced a innovation: A monopolized lack market, of is competition a stifles term innovation used and in inhibits economics technological advancements. To without describe a rivals, monopolistic situation firms where may there have is little a incentive single to dominant force invest or in company research and controlling development the as supply they of face a no particular imminent good threat or to service. This their type market of position market structure. Consequently, is this characterized can by lead limited to competition, slower high progress barriers and to limit entry, the and creation the of ability new of and the improved dominant products.

Monopolized market can have significant negative consequences for consumers. With the ability to set prices at their own discretion, dominant firms often charge higher prices than would prevail in a competitive market. This results in reduced consumer welfare as individuals must allocate a larger portion of their income to purchasing the monopolized good or service. Additionally, the lack of competition can lead to poor quality, as there is little incentive for the dominant firm to invest in product improvements or customer service.

To address the negative effects of monopolized market, governments often intervene to promote competition and protect consumers. For example, in the United States, the Sherman Antitrust Act of 1890 was enacted to prevent the formation of monopolies and preserve market competition. Antitrust laws aim to prevent unfair business practices, promote market access for new entrants, and protect consumers from monopolistic pricing.

Monopolized market where a single dominant firm controls the supply of a specific good or service. This market structure is characterized by limited competition, high barriers to entry, and the ability of the dominant firm to set prices. The consequences for consumers include higher prices, limited product innovation, and reduced consumer welfare. To mitigate the negative effects, governments often intervene through antitrust laws and regulatory measures to foster competition and protect consumers.

Anti-monopoly strategies:

Monopolies are ill-advised systems, which are generally considered to create problems in the future to stop, reform, or improve the development of an active market system and price capture. In addition, some parts of monopolies are limited by antitrust laws, and laws exist to determine the terms of governance for companies and others when they are structured in a proprietary manner. The activities of monopolies are usually limited by laws such as those required to restrict competition.

1. Antitrust Law: These laws are used to restrict monopolies and monopolistic activities. They provide solutions to problems related to cartel, customs, price monopoly and other competition rules.
2. Regulatory bodies: The state government creates special bodies to control monopolies. These bodies are responsible for restricting monopoly activity, controlling prices and making administrative decisions.
3. Enhancing competitiveness: This includes increasing competition by facilitating new companies and market entry, reducing counter-selling by monopolies, facilitating the fight against monopolies or opening new markets through the provision of household and quality products and other methods.
4. Expropriation by a company: As part of limiting the activities of monopolies and breaking monopolistic power, a company can be required to take over or buy its assets.

The activities of monopolies are usually related to many aspects, such as economic problems. They can lead to poor prices for users, lack of convenience, stalled innovation, and other problems. Therefore, the role of anti-monopoly and monopolistic laws and regulatory bodies is important.

In conclusion, the study of monopolies is a complex and evolving field that has significant implications for consumer welfare, economic growth, and competition. While monopolies can bring benefits such as economies of scale and innovation, they also raise concerns about higher prices, lower quality products, and barriers to entry for new competitors. By examining the historical context, key figures, and impacts of monopolies, we can gain a better understanding of this important aspect of market structure and work towards creating a more competitive and fair economy for all.

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