WIU CENTENNIAL HONORS COLLEGE Thomas E. Helm Undergraduate Research Day 2023

Abstract

Podium

Major: Economics

Faculty Mentor(s): Jobu Babin

How would a government regulated price control impact Microsoft Windows?

Sierra Duncan

Economic theory dictates that a market governed by a monopoly is inefficient. As I evaluated the behavior of Microsoft Windows the data suggests that this company holds such market power. This allows Microsoft Windows to control the price of its product, therefore, it exists as a monopoly. The study proposes a policy control implemented by the government to regulate the price of a monopolistic good to a price where more individuals can access the goods. This recommendation is coupled with the option of price discrimination to foster a market where the newly regulated price will not disregard consumers. This policy recommendation would minimize the market failure caused by allocative inefficiency as well as permit Microsoft Windows to continue earning profits.