Intro to Competition Policy

# Starter task: Competition recap

**Instructions:** answer the brief questions below

What is economic competition?

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Why is it ‘good’? Diagram(s)?

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*Extension:* can you think of any circumstances where less competition is better?

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# Presentation 1 – Intro to Competition Policy

Complete the activities below so as to have a complete set of Notes:

**Definition:** Competition Policy

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**Fill the gaps:** Aims of Competition Policy

1. creating wider consumer *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_* and protecting consumer interests
2. promoting *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_* through technological development
3. ensuring effective *\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_* between firms.

**Key Notes:** *Types of Competition Policy*

There are four types of competition policy:

* Policies to control mergers (and other anticompetitive practices)
* Policies to control monopolies
* Policies to promote competition and contestability
* Policies to protect suppliers and employees

**Matching up:** *Competition Policy Instruments*

Match the policy tools below to the correct type of competition policy

*Tools:*

Price regulation; Competition law led by the CMA; Privatisation; Nationalisation; Restrictions on monopsony power of firms; Profit regulation; Performance targets; Enhancing competition between firms through promotion of small business; Deregulation; Quality standards; Competitive tendering for government contracts

*Type of Policy:*

|  |  |
| --- | --- |
| **Policies to control mergers (and other anticompetitive practices)** | **Policies to control monopolies** |
| **Policies to promote competition and contestability** | **Policies to protect suppliers and employees** |

# Discussion: The remit of competition policy

**Instructions:**

* Individually consider the below questions
* Discuss your thoughts with a partner
* Share your ideas with the class

*‘At what point should competition authorities intervene in a market?’*

Note Space: