The 1999 PhD Conference was organised under the joint auspices of the

University of Western Australia

and

Australian National University

Centre for Economic Policy Research

University of Western Australia

Economic Research Centre

SYDNEY 21-22 November
1999 PhD Conference in Economics and Business

Discussion Paper No. 337

University of New South Wales

Australian Graduate School of Management

Fred Dillon

Competing Ideas and Issues:}

Competition Policy.
Competition Policy: Underlying Ideas and Issues

Perth, 8-10 November 1999

Copyright in Economics and Business

The University of New South Wales
Australian Graduate School of Management
Professor Prentice C. Humer, Dean

...
WHAT IS COMMUNITY POLICY

Community policy refers to a set of laws and regulations that govern the use and development of land and resources within a particular community. These policies are designed to ensure that the community's resources are used sustainably and equitably, and to protect the environment and public health. Community policy can include regulations on land use, zoning, development, transportation, and other aspects of urban planning and development.

In many places, community policy is overseen by a community planning board or commission, which is responsible for developing and enforcing policies that promote the well-being of the community. These policies are often based on input from community members, local businesses, and other stakeholders, and are designed to address specific needs and concerns within the community.

Community policy can have a significant impact on the quality of life for residents and businesses within a community. By ensuring that development is planned and executed in a way that is consistent with the community's values and needs, community policy helps to create a balanced and sustainable future for all.

How community policy is created and enforced can vary significantly from one community to another. In some cases, community policy may be created through a formal planning process involving public input and stakeholder engagement. In other cases, policy may be established through legislation or other legal means. Regardless of how it is created, community policy is an essential tool for ensuring that communities are healthy, vibrant, and sustainable places to live and work.
The 1994 Antitrust Enforcement Policy Statement of the American Bar Association (ABA) Committee on Antitrust Law defines a horizontal price-fixing conspiracy as one in which two or more competitors agree to set prices for products that are at the same level in the market. This type of conspiracy is considered a violation of antitrust law because it allows companies to artificially inflate prices and reduce competition in their respective markets. It is considered a serious threat to the functioning of the market economy and is therefore subject to strict legal scrutiny.

### Box 1: Elements of Competition Policy

<table>
<thead>
<tr>
<th>Element</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monopolistic prices</td>
<td>Prices that are set by a single entity or a small number of entities, typically to the exclusion of other competitors.</td>
</tr>
<tr>
<td>Price wars</td>
<td>Competitors engage in self-destructive price wars to drive out competitors or force them to adopt unprofitable pricing strategies.</td>
</tr>
<tr>
<td>Predatory pricing</td>
<td>Pricing strategies used by dominant firms to eliminate or limit competition.</td>
</tr>
<tr>
<td>Antitrust consent decrees</td>
<td>Legal agreements between the government and firms to settle antitrust charges and prevent further违法行为.</td>
</tr>
<tr>
<td>Antitrust merger reviews</td>
<td>Reviews of mergers and acquisitions to ensure they do not create monopolistic or oligopolistic markets.</td>
</tr>
</tbody>
</table>

### Social Goals

- Encourage innovation and efficiency in business operations.
- Promote fair competition and consumer protection.
- Ensure that the benefits of competition are accessible to all segments of the population.
- Prevent antitrust violations and promote ethical business practices.

The ABA is committed to promoting the principles of antitrust law and ensuring that they are applied fairly and consistently. The organization works to educate businesses and consumers about the importance of competition and the role that antitrust law plays in protecting the public interest.
### OECD, Background Paper: Provision of Telecommunications (1997) 3 of 4

The available economic opportunities to increase efficiency and provide new value-added services are limited by the number of countries that are able to provide high-quality telecommunications services at a reasonable cost. The need for effective competition with other forms of infrastructure will continue to be a significant issue in the development of national and international networks. The provision of new services and the expansion of existing services will be driven by the need for economies of scale and scope. The objective of this paper is to provide an overview of the key issues and developments in the field of telecommunications and to identify areas where further research is needed.

#### Examples of Possible Future Approaches

<table>
<thead>
<tr>
<th>Appropriate</th>
<th>Elements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incentives to improve efficiency</td>
<td>- Price changes set in context of short-run costs in light of differences in demand and supply conditions.</td>
</tr>
<tr>
<td></td>
<td>- Price changes set in context of long-run costs in light of differences in demand and supply conditions.</td>
</tr>
<tr>
<td></td>
<td>- Incentives to improve efficiency in light of differences in demand and supply conditions.</td>
</tr>
<tr>
<td></td>
<td>- Incentives to improve efficiency in light of differences in demand and supply conditions.</td>
</tr>
<tr>
<td></td>
<td>- Incentives to improve efficiency in light of differences in demand and supply conditions.</td>
</tr>
<tr>
<td></td>
<td>- Incentives to improve efficiency in light of differences in demand and supply conditions.</td>
</tr>
<tr>
<td></td>
<td>- Incentives to improve efficiency in light of differences in demand and supply conditions.</td>
</tr>
</tbody>
</table>

### Access to Essential Facilities

The potential for competition to improve access to essential facilities includes:

- The separation of ownership and operation of essential facilities
- The separation of essential and non-essential services
- The separation of regulatory controls and commercial activities
- The removal of regulatory restrictions on telecommunications

### Box 2: Examples of Possible Future Approaches

These examples are summarized in the box above.

- Improved competition in light of differences in demand and supply conditions.
- Incentives to improve efficiency in light of differences in demand and supply conditions.
- Improved regulation in light of differences in demand and supply conditions.
- Incentives to improve efficiency in light of differences in demand and supply conditions.
- Incentives to improve efficiency in light of differences in demand and supply conditions.
- Incentives to improve efficiency in light of differences in demand and supply conditions.
- Incentives to improve efficiency in light of differences in demand and supply conditions.
- Incentives to improve efficiency in light of differences in demand and supply conditions.
- Incentives to improve efficiency in light of differences in demand and supply conditions.

### Conclusion

The implementation of new technologies and the expansion of existing services will continue to be driven by the need for economies of scale and scope. The objective of this paper is to provide an overview of the key issues and developments in the field of telecommunications and to identify areas where further research is needed.
have been suggested including:

1. Access to education and training programs
2. Access to credit and financing
3. Access to information and technology
4. Access to markets
5. Access to support services (e.g., legal, accounting)

Each of these issues will be discussed in turn.
4. Economic theory has provided a framework for understanding the mechanisms of an evolving economy. Economic thought, however, has been influenced by various perspectives, including those from social, psychological, and cultural dimensions.

5. The economic system is complex and interconnected, with various components interacting to shape the overall economy. Understanding these interactions is crucial for effective policy-making and economic analysis.

6. Economic models are tools that help us understand and predict economic behavior. They are based on assumptions and simplifications, which help us focus on key relationships and trends.

7. Economic growth is a multidimensional concept that includes not only the increase in GDP but also other factors such as employment, income distribution, and quality of life.

8. Economic policies, whether at the national or international level, aim to influence economic outcomes. They can take various forms, including fiscal policies (taxation and spending) and monetary policies (interest rates).

9. Economic knowledge is a dynamic field that continues to evolve as new theories and models are developed. This evolution is driven by the need to address new challenges and to refine our understanding of the economic world.

10. In conclusion, understanding economic theory and the workings of an evolving economy is essential for making informed decisions and for contributing to the betterment of society.