



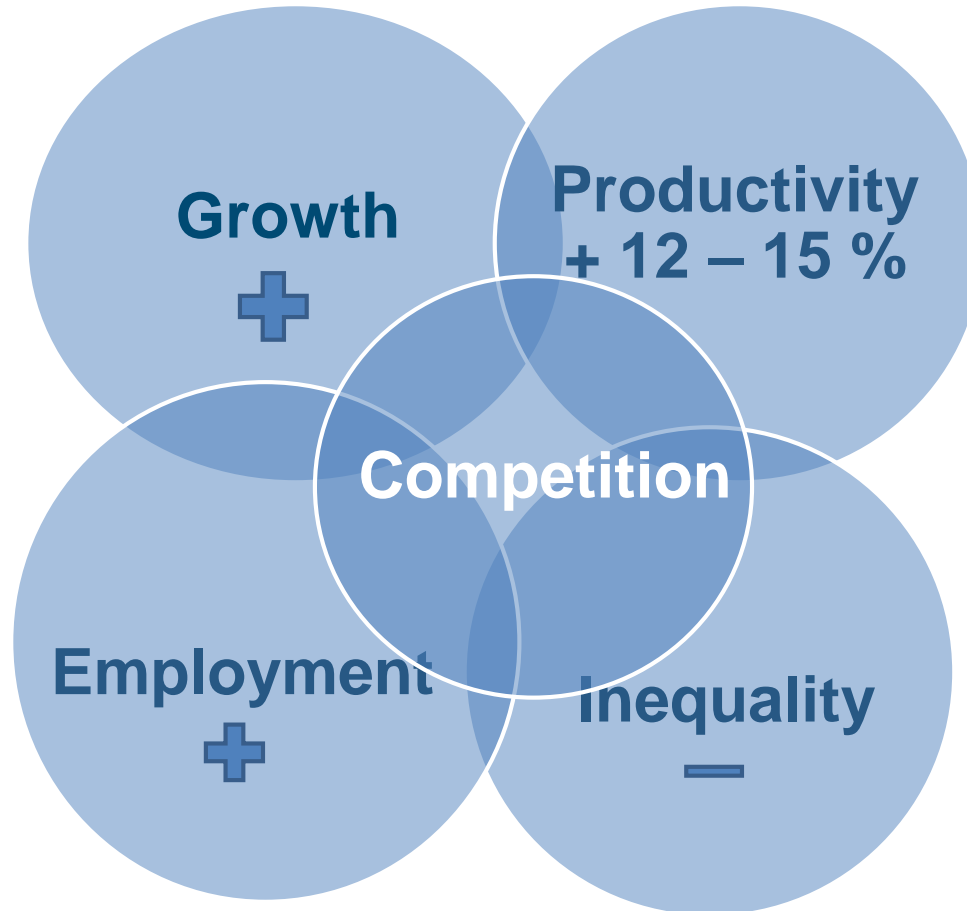
Benefits of Competition Policy for a National Economy

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Mauritius – 15 March 2018



Why We Care About Competition?



Source: OECD 2014



Benefits of competition policy for the national economy

- Aggregate economic benefits:
 - Short-term for consumers, and other buyers including public sector
 - Longer term: innovation and growth
- Distributional benefits
 - Inequality
 - Poverty reduction
 - Employment
- Social benefits
 - Fighting corruption

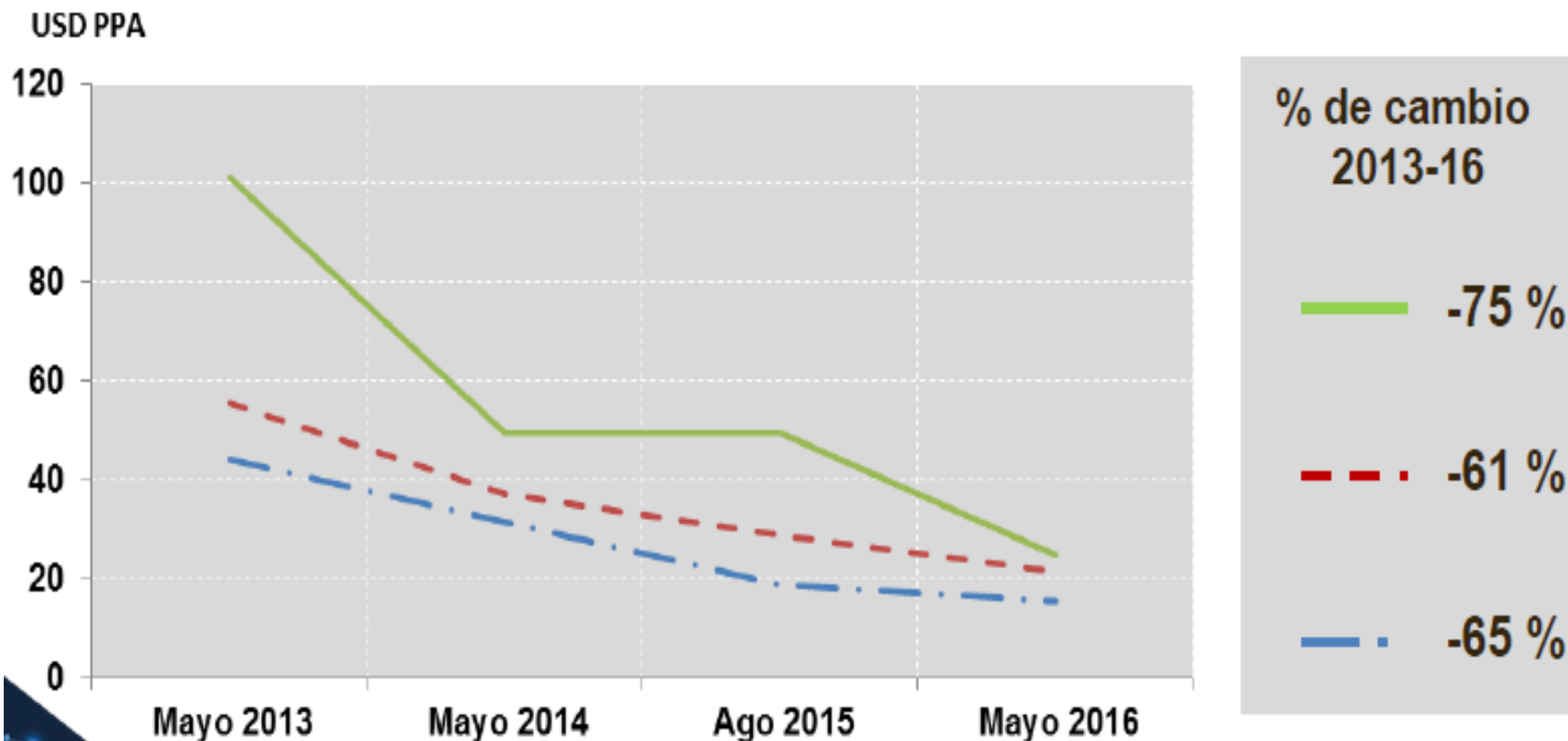


Consumer benefits

...from lower prices

Tendencias en los precios de banda ancha móvil en México, en PPA USD

— 100 llamadas + 500 MB — 300 llamadas + 1 GB — 900 llamadas + 2 GB

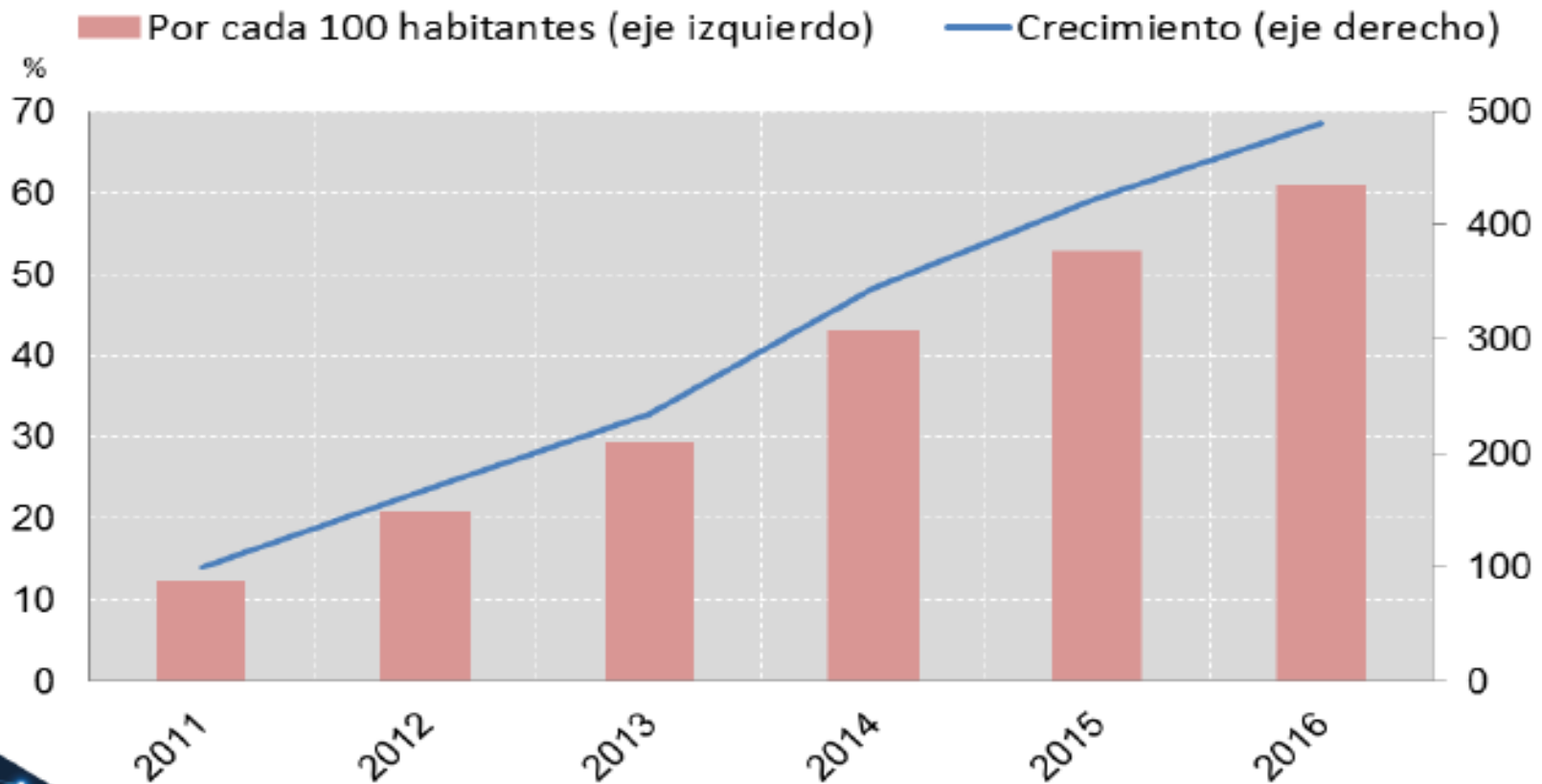




Consumer benefits

...from better access to services

Suscripciones de banda ancha móvil por cada 100 habitantes





Productivity and growth

Mechanisms





Productivity and growth

Economic studies: Australia

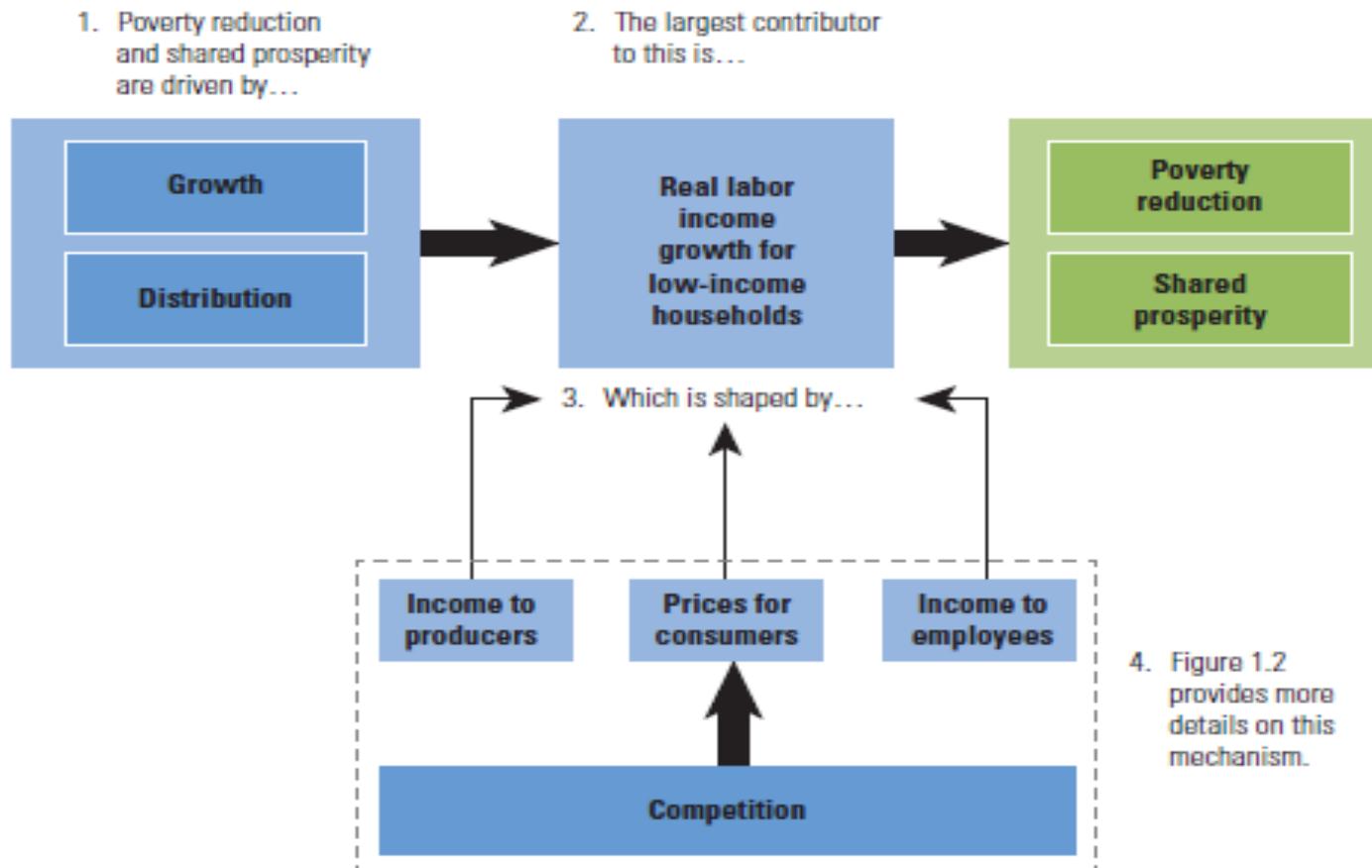
Australian growth has been higher than the OECD since the Hilmer Reforms





Distributional outcomes

Competition reduces poverty and increases prosperity

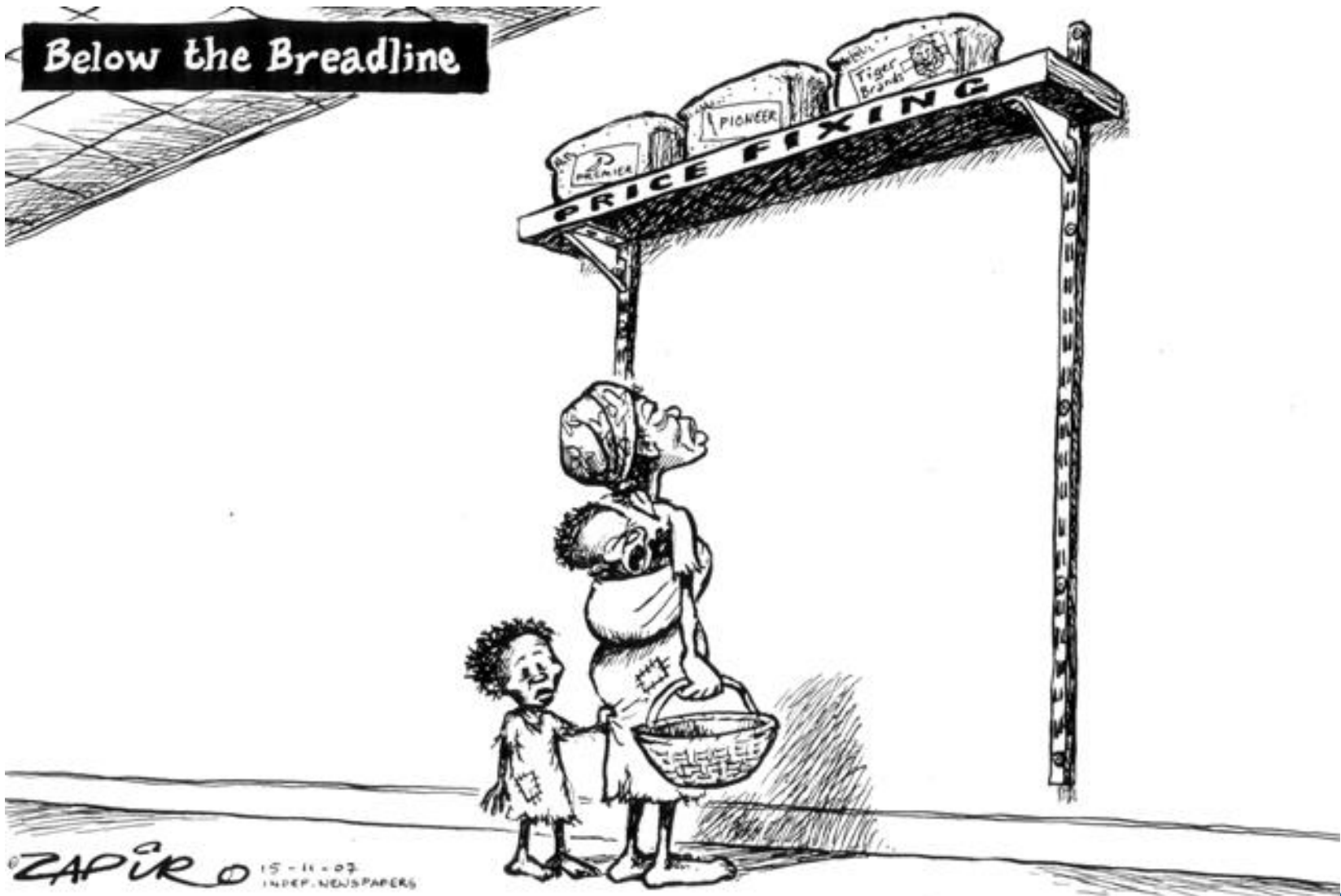


Source: World Bank Group, Competition Policy Team.



Distributional outcomes

The poor suffer most from price-fixing





...and it's not just economic outcomes

Monopolies corrupt the political process





Thank you for your attention

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