

UNIVERSITY OF NORTHUMBRIA AT NEWCASTLE

DIVISION OF ECONOMICS

EC480 The Economics of Competition: A European Perspective

Level 2

Wednesday
10th January 2001

Time allowed:
1½ hours plus 5 minutes reading time

Instructions Candidates are to attempt any TWO questions
 FIVE questions set
 All questions carry equal marks

1. To what extent should national and supranational authorities intervene to regulate product quality? Use examples to illustrate your answer.
2. To what extent should competition authorities be concerned about the welfare impact of market power?
3. Critically examine the conditions under which cartels persist. Use examples from Europe to illustrate your answer.
4. Using examples, critically examine how strategic entry barriers and predatory behaviour might be detrimental to consumers.
5. 'Transferring state owned utilities to private ownership has been a great and on-going success.' Discuss.