

Dominance is  
somewhere near  
the monopoly  
level of market  
power

Scene  
Setting

Competition Law

Regulation

Monopoly

Range of Competitive  
Outcomes

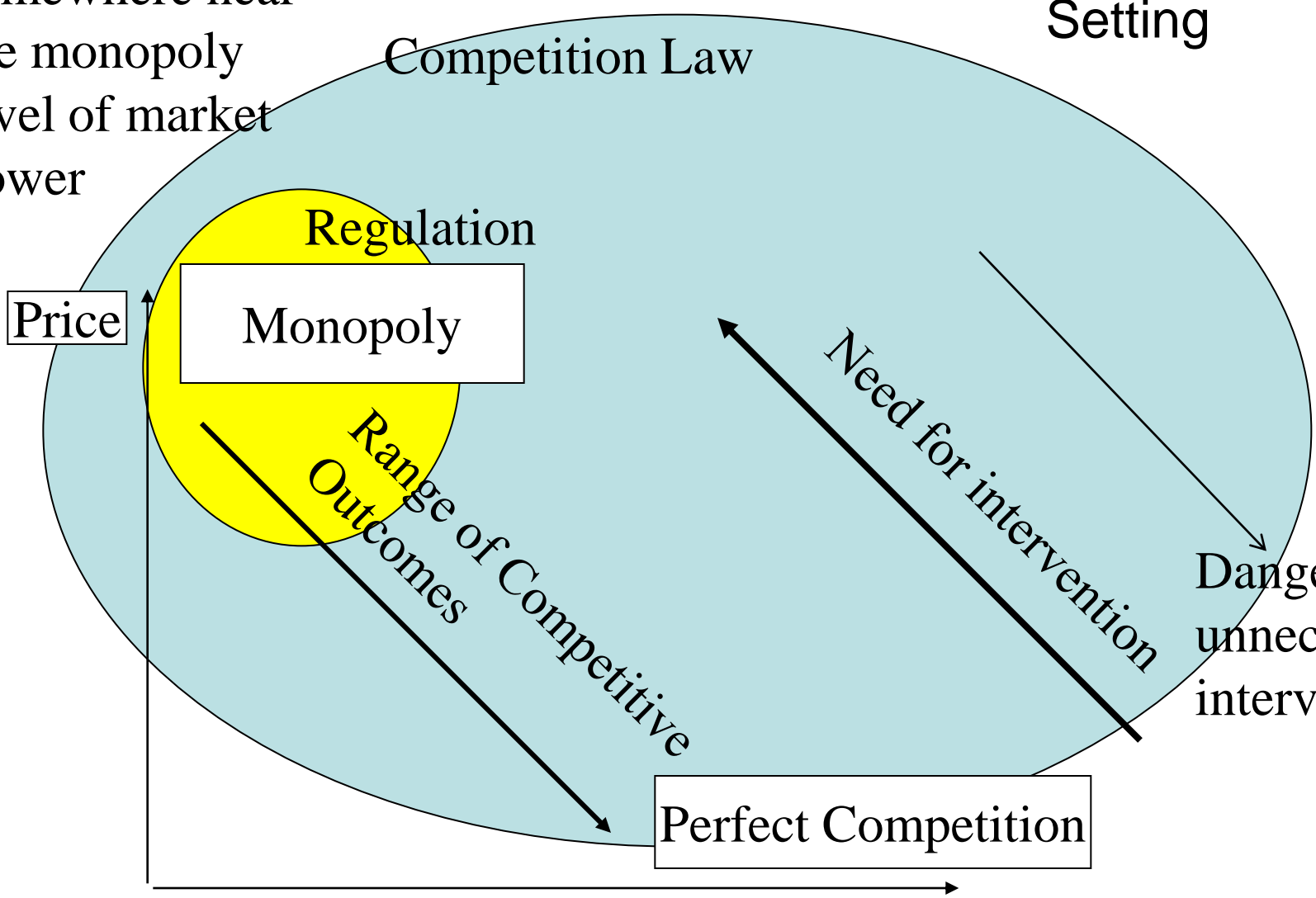
Need for intervention

Danger of  
unnecessary  
intervention

Perfect Competition

Price

Quantity



# Limitations of Competition Law (why do we go for SSR?)

- Industry Structure
  - e.g. Economies of scale which result in high probability of dominance
- Speed of Action
  - Competition Law too slow?
    - Injunction proceedings
- Frequency of action
  - level of sanction
    - likelihood of detection
- Nature of intervention