

12. Anti-monopoly regulation of productive forces

Anti-monopoly regulation of productive forces involves state-led policies designed to prevent the monopolization of industry, technology, and resources, ensuring competition and innovation. It focuses on regulating mergers, preventing abuse of dominant market positions, and prohibiting agreements that restrict technical progress or market access.

Key Aspects of Anti-Monopoly Regulation on Productive Forces:

- ❖ **Protection of Innovation:** Regulations aim to prevent monopolies from using their power to stifle new technologies or limit the development of new products.
- ❖ **Controlling Dominant Positions:** Laws prohibit companies from abusing their market power, such as through predatory pricing, tying products, or restricting raw material access, which could stifle smaller competitors.
- ❖ **Regulation of Mergers and Acquisitions:** Authorities supervise large mergers to ensure they do not create a monopoly that restricts competition or hampers the development of productive forces.
- ❖ **Platform Economy Supervision:** specifically, in modern contexts, regulations target unfair competition on digital platforms, preventing the abuse of data and market position.
- ❖ **Administrative Monopoly Control:** Measures are taken to stop administrative bodies from abusing power to restrict competition, such as setting discriminatory standards.

Anti-monopoly measures are considered essential to promoting sustainable economic development, maintaining a unified market system, and enhancing overall market efficiency.

Anti-monopoly regulation, or competition law, maintains fair market competition by prohibiting anti-competitive agreements, monopolies, and mergers that harm consumers. Key aspects include controlling abuses of dominant market positions, such as price-fixing or exclusionary tactics, enforced by agencies like the US FTC, EU Commission, or SAMR in China. Modern regulations increasingly address digital platforms and AI to ensure fair digital market order.

Key Aspects of Anti-Monopoly Regulation

- ❖ **Prohibited Conduct:** Regulations target "private monopolization" (exclusive, control-type) where firms restrict competition, such as through predatory pricing or obstructing new entrants.
- ❖ **Merger Control:** Authorities review acquisitions that could significantly reduce competition, sometimes blocking mergers to protect market structure.
- ❖ **Agreements Regulation:** Anti-competitive pacts—price-fixing, bid-rigging, or market division—are strictly prohibited.
- ❖ **Abuse of Dominance:** Dominant firms are forbidden from abusing their position to exclude competitors, often regulated through strict behavioral guidelines.
- ❖ **Digital Platforms:** Modern enforcement has expanded to focus on digital ecosystems, focusing on data monopolies, platform self-preferencing, and algorithmic collusion.

Regional Examples

- ❖ **United States:** Historically rooted in the Sherman Antitrust Act of 1890, with aggressive enforcement focused on promoting competition.

- ❖ China: The amended Anti-Monopoly Law (2022) strengthened oversight on digital platforms, implemented new regulations on mergers, and created "safe harbors" for certain vertical agreements.
- ❖ Japan: The Antimonopoly Act (Act on Prohibition of Private Monopolization and Maintenance of Fair Trade) regulates fair and free competition.

Impact and Enforcement

- ❖ Economic Impact: Regulations limit firm financialization and force a focus on operational efficiency rather than market manipulation.
- ❖ Actions: Authorities, like Russia's Federal Antimonopoly Service (FAS), investigate breaches, impose fines, and review foreign investments.
- ❖ Private Litigation: In some jurisdictions, civil litigation can be initiated for damages caused by monopolistic behavior.