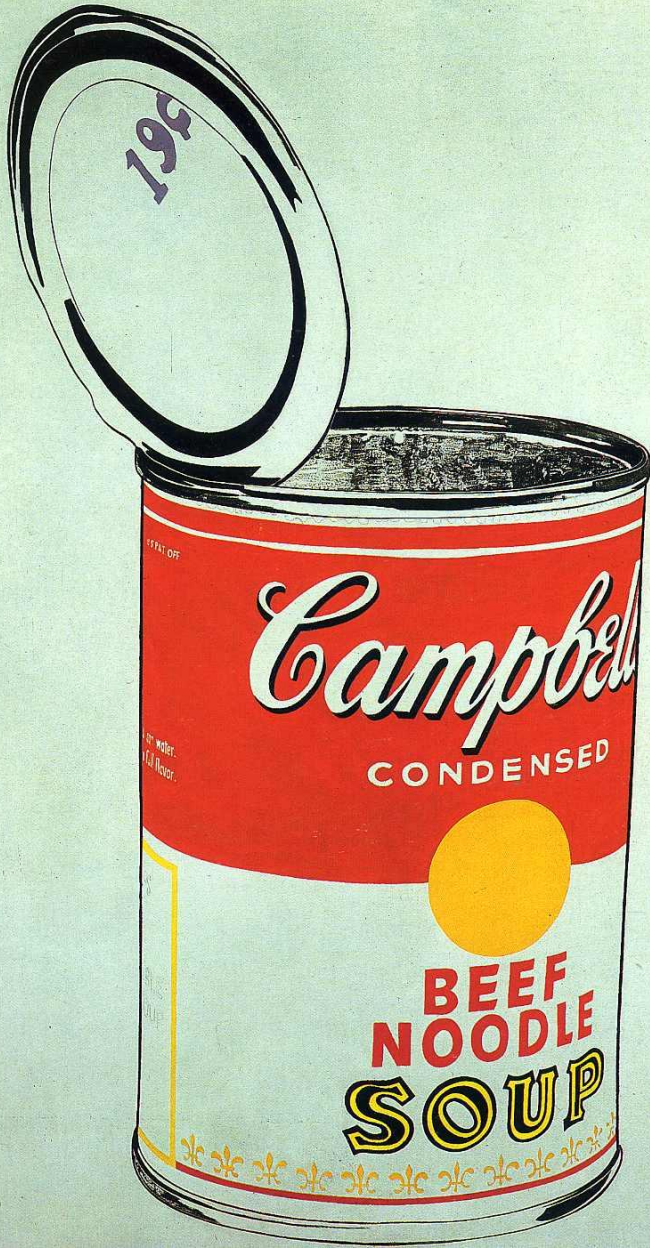


# Distributive Justice and Consumer Welfare in Antitrust

## Opening up the Debate!

UCL - 13 July 2011

Amelia Fletcher  
Chief Economist  
OFT



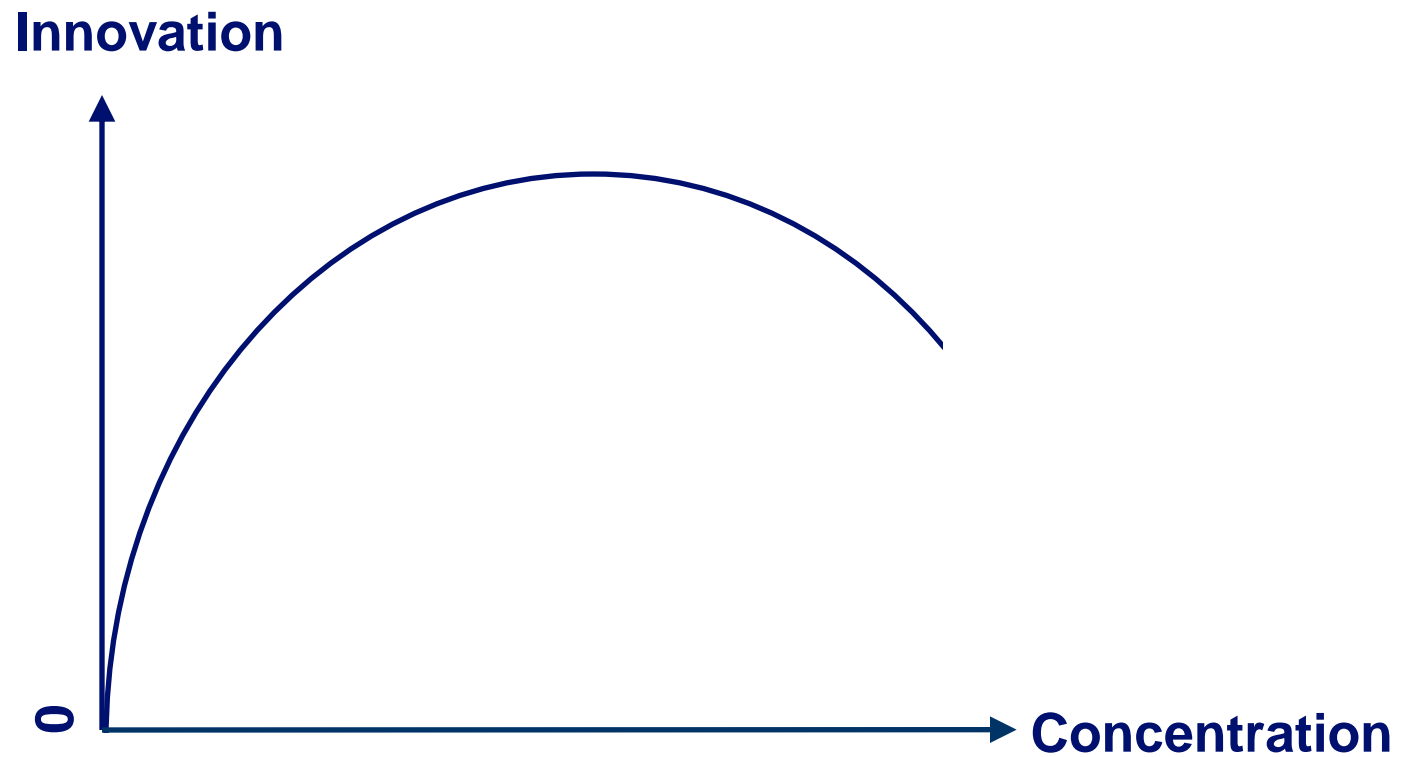
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- 2. Possible tensions between CW and effect on competition**
- 3. Some thoughts on distribution between consumers**
- 4. Some wider issues around 'public interest' objectives**

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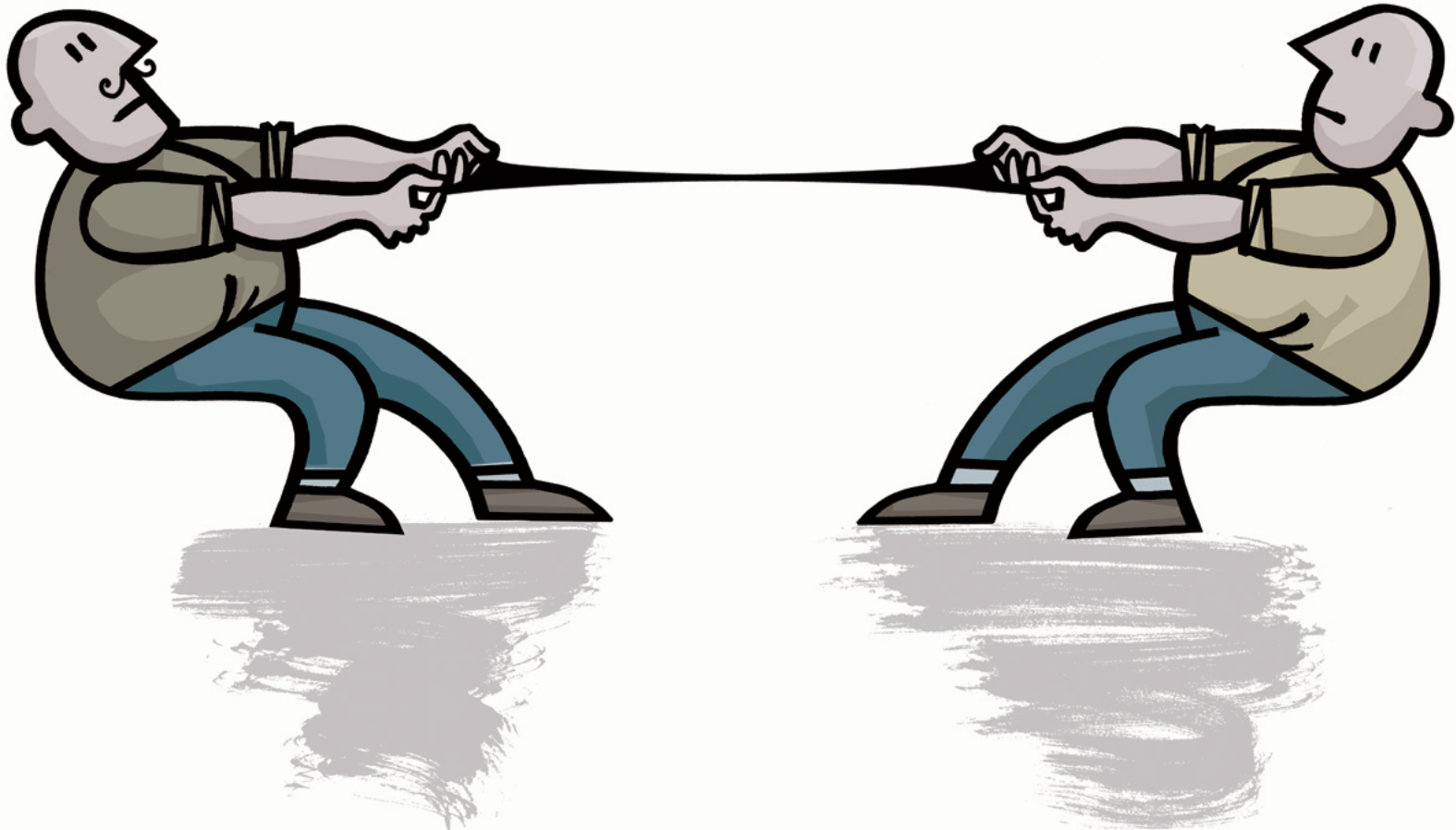
# The “Inverted-U” (Aghion et al, 2001)



# Areas to Cover

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# Possible tensions between...



- **Consumer welfare objective**

- **Protecting competition objective**

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# A 2D spectrum of possible PI objectives

|                  |   |                                    |                        |
|------------------|---|------------------------------------|------------------------|
| <b>Long run</b>  | <b>Investment and innovation</b>        | <b>Environmental change</b>        | <b>Media plurality</b> |
| <b>Short run</b> | <b>PQRS<br/>(incl. SR efficiencies)</b> | <b>USO<br/>Financial stability</b> | <b>Employment</b>      |

**Direct  
economic  
impact on CW**

**Indirect  
economic  
impact on CW**

**Indirect  
wider  
impact**

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