



MEDIA RELEASE

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CCCS LAUNCHES ESSAY COMPETITION ON OPTIMAL LEVEL OF GOVERNMENT INTERVENTION IN MARKETS

The Competition and Consumer Commission of Singapore (“CCCS”) and the Economic Society of Singapore (“ESS”) today launched the 4th CCCS-ESS Essay Competition. The topic for this year’s competition is **“Free Market and Buyers Beware? Where are we today and what is the optimal level of government intervention to protect competition and consumers in Singapore?”**.

2. In a free market system, the forces of supply and demand prevail without government intervention in price determination. Firms are driven by profits, and competition among them drives down prices and spurs efficiency and innovation. Consumers decide what they want to buy, subject to the prices of goods and services and their income. Proponents of free market argue that such a system enables optimal allocation of scarce resources in a society, allowing capital to flow to where it will get the highest returns and enabling consumers to enjoy a variety of high-quality goods and services at competitive prices.

3. However, critics of the free market system have contended that market failures such as concentrated markets/ monopolies, anti-competitive conduct, externalities, information asymmetry, market rigidities and unfair trade practices prevent markets from working well. In addition, the free market may not be able to meet the basic/essential needs of people at affordable or reasonable prices. The free market system is also associated with capitalism which is often blamed for exacerbating income inequality. As such, ensuring the right amount of government intervention in free markets is necessary for economic efficiency, social equity and social stability. In many countries, it is common to have both competition and consumer protection laws, administered by government agencies, to ensure markets work well, albeit with varying levels of intervention.

4. The essay competition invites participants to critically analyse the extent and nature to which the government should intervene in markets today to ensure they function well to meet both economic and social objectives. Specifically, participants are encouraged to explore if the current competition and consumer protection laws and policies are sufficient to address market failures, while preserving the competitive

process needed to promote efficiency and innovation, given rapid technological changes and the rise of the digital economy.

5. The essay competition has two categories:

a) **“School” category:** all post-secondary students (regardless of nationality) studying in Singapore in polytechnics, Centralised Institutes, international schools and junior colleges may apply. This includes students currently enrolled in the Integrated Programme (Year 5/6) or in the International Baccalaureate diploma programme. Current full-time national servicemen and/or students who have recently completed their education in the above-mentioned schools/programmes, and Singaporean students in such institutions/programmes (or equivalent) overseas may also participate.

b) **“Open” category:** all individuals living in Singapore as well as Singaporeans living overseas (excluding those who qualify under the “school” category).

6. The following awards will be given for the three best essays of each category:

1st prize:	\$3,000
2nd prize:	\$2,000
3rd prize:	\$1,000
Merit (3 prizes):	\$300 x 3

7. The terms and conditions as well as entry forms for the CCCS-ESS Essay Competition are available on the CCCS website (<https://www.ccs.gov.sg/media-and-consultation/ccs-campaigns/cccs-ess-essay-contest-promotional-page-2020>). The closing date for the submission of entries is 22 May 2020.

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About the Competition and Consumer Commission of Singapore

The Competition and Consumer Commission of Singapore (“CCCS”) is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act (Cap. 50B), which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop and/or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act (Cap. 52A) or CPFTA, which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for business and consumers in Singapore.

For more information, please visit www.cccs.gov.sg.

About the Economic Society of Singapore

The Economic Society of Singapore (“ESS”) is a non-profit organisation of economists and other professionals interested in economics. ESS brings together members of the economics profession in academia, the government and business sectors and provides a platform for discussions on issues facing the Singapore economy and the region. The primary objective of the Society is to raise public awareness, and stimulate public interest and debate, in economic issues. It does this by organizing conferences, talks, workshops and public lectures and by conducting studies on issues, either on its own or in partnership with other organizations.

For more information, please visit www.ess.org.sg

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