

14 REGULATION, DEREGULATION

A. PURPOSE OF REGULATION

- 1. Regulation Time Line: Agencies**
- 2. Objective of Regulation**
- 3. Source of Market Power**
- 4. Universal Service**

B. REGULATORY ISSUES

- 1. Pricing Policies: MC vs. AC**
- 2. Consequences for Efficiency**

C. DEREGULATION EFFECTS

- 1. Price Effects**
- 2. Quantity Effects**
- 3. Entry Effects**
- 4. Consequences for Labor Unions**
- 5. Product Quality**
- 6. Safety**
- 7. Profit and Wage Effects**

D. CONCLUSIONS

- 1. Overview**
- 2. Uncertainties of Deregulation**
- 3. Decision Criteria for Deregulation**