

Digital Markets Taskforce Consultation Response

July 31, 2020

[Samuel Bowman](#)

There is a danger that the UK is heading for a significant and potentially damaging overhaul of its competition policy on the basis of thin evidence, rushed analysis, and no attempt to measure the costs, benefits and risks of the approach being undertaken. The fact that the Digital Markets Taskforce consultation period was only one month is itself an example of this - one month is an unreasonably short period of time if the consultation was being taken seriously, and suggests that instead it is merely window-dressing to give procedural cover to whatever the government plans on doing anyway.

This would be a mistake. The two main documents that have led to the creation of the Digital Markets Taskforce, the Furman Report and the CMA's digital advertising market study, do not provide strong justifications for the changes they propose, which are sweeping. Neither of them consider the trade-offs involved with the interventions they propose in any serious detail, let alone attempt to measure them quantitatively, yet these trade-offs and risks - lower investment, reduced competition, less innovation, fewer startups being founded in the UK, and worse productivity growth for the UK over the years ahead - are potentially enormous, and could weaken the UK's technology sector.

[Read the full paper here.](#)

[View Article](#)