

Competitive strategies and government policies assignment



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Competitive Strategies and Government Policies Externalities are defined as decisions of consumption, production and Investment made by Individuals or businesses that affect third parties not involved directly In the transactions.

The governments Intervene In the economy to deal with externalities.

Pollution Is the most common examples of the negative effects of externalities. Some companies make decisions based on the costs and benefits without considering the Indirect costs accepted by the victims of pollution generated a negative externalities.

When the private sector fails to address the externalities may be Justified government Intervention. The government tries to correct this deficiency and try to maximize the overall benefit of society. The government can Intervene regulating activities (prohibiting or promoting actions you determine, according to generate positive or negative externalities). For example, the government can force the closure of bars and nightclubs after a certain time of night or can prohibit the exercise of allotment or hazardous activities near urban nuclei, etc.

The government can also establish taxes or penalties so that the economic impact of externalities directly affects the portion that originates and therefore takes into account when making their decisions. Deferent laws have been created to guarantee the safety use of the cell phones. Due the large number of car accidents caused by the use of cell phones while driving the government has created several laws that restrict their use. Radiation is another big issue with cellular technology.

Cell phone frequencies transmit electromagnetic energy putting users at risk for radiation exposure. Cell phone sellers are being required by law to display radiation data, and manufacturers are limited to the level of radiation cell phone waves can emit. According to Cell Phone Accessories, the Federal Communications Commission in conjunction with the International Commission on Non-ionizing Radiation Protection has defined safe radiation exposure at a level of 4 watts per pound. This is the radiation limit a human can safely receive.

Cell phone batteries are often recycled and used in the manufacturing. A good example is in California where the cell phone manufacturers are required to follow state law based on the Cell Phone Recycling Act of 2004. This law states that manufacturers and retailers must freely collect and reuse old cell phone batteries donated by users. Users cannot be charged a fee for this handling. Additionally, the law states that manufacturers must begin minimizing and eliminating potentially toxic elements within batteries. Quarels Externalities are defined as decisions of consumption, production and investment made by individuals or businesses that affect third parties not involved directly in the transactions. The governments intervene in the economy to deal with externalities. Pollution is the most common examples of the negative effects of externalities. Some indirect costs accepted by the victims of pollution generated a negative externalities. " When the private sector fails to address the externalities may be justified government intervention.