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## COMPETITION, ITS FITNESS AND ECONOMIC DEVELOPMENT

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### ABSTRACT

*The word competition is not new for world economy. The world market aware about the perfect competition, monopoly, duopoly, monopolistic competition and oligopoly, as well as market is aware about stiff competition, price war, cut throat war, also. But, today's open economy makes the country more self-centric and selfish.*

*'Live and let live', is a competition method of socialism, 'quality base', is the competition of capitalism, 'Update and let live', is a competition method of open economy competitor but today's competition is unhealthy, which is based on 'Hit and develop'. In this competition with the help of Bio-technique the possibility of some competitor using certain unhealthy tools like-COVID-19 is the best example for this unhealthy competition.*



**KEYWORDS:** *Competition, World, Economy, Fitness, Unhealthy, COVID-19, Market etc.*

### INTRODUCTION

Competition is an important part of our life. It helps to increase our strength, awareness, experimentation, but changing scenario changes the face of competition. We enter in this competition, before our birth and there is no end, after the death also. Today, in this open economy, competition is not a quality base, pure, healthy competition, as well as cut throat also. It crosses the limits of humanity. This unhealthy competition base is very simple "Hit and develop", which is very common to general mental tendency of fanatic.

### OBJECTIVES:

1. To study about competition.
2. To study about fitness of competition.
3. To study the causes of unfitness of competition.
4. Suggest the suggestions to cure the unfitness of competition.

### HYPOTHESIS:

1. Unhealthy competition is always not good for permanent development.

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**METHODOLOGY:**

The research article is based on primary and secondary data. The primary data is collected through discussion and observation. The secondary data is collected through references, daily news.

**Importance:**

1. To make the society aware about the today's competition.
2. To show the society that unhealthy competition is not good for permanent development.
3. To make them aware about to accept the open challenges rather than such unhealthy competition.

**Competition and its Fitness in World Economy:**

Competition is a very live word. It starts from human creation, only its nature changes as per changing period. Competition makes the economy live and young. It is one of the important indicators of fitness of development. But only the capable can take it positively. Now we are going far away from the traditional types of competitions.

**Competitions and Fitness****A) Perfect Competition-**

Perfect competition is an ideal or theoretical competitive market. It is a market situation, in which there are large buyers and number of firms producing homogeneous product, there is free entry & free exit, perfect knowledge on the part of buyer, perfect mobility of factors of production & no transportation cost at all. All the firms are price takers, because price depends on market demand and supply. Example –Agricultural produce.

**Causes of unfitness-**

It is more ideal, because there is no information failure; no one firm has monopoly power, no competition, any price war and excess profit, so it is more theoretical than practical. Today, in this open economy, only practical things can survive.

**B) Monopoly-**

A monopoly is a form of market structure in which there is only one producer/seller or firm which has a control over the supply of a commodity & which has no close substitutes for its product in the market and buyers have no alternative or choice.

**Example-** Microsoft has monopoly power in the computer operating system.

**Causes of unfitness-**

Today's world is very fast and open, so monopoly power is not a permanent achievement. It is also not a healthy part of economic development. As well as it is not a lifelong achievement in this open economy.

**C) Monopolistic Competition-**

Every individual producer differentiates his product on the basis of quality, branding, trade mark, etc. Here close substitutes are produced by different producers. There are many producers having keen competition among them.

**Example** – There are various manufacturers of tooth paste -Colgate, Pepsodent, Vicco, Babul, Dabar Lal etc.

There are a large number of sellers selling closely related but not identical products. Each firm can formulate its own price and output policy independently.

### Causes of unfitness-

We can see such competition in the world economy. Everyone is trying to attract the customer through selling cost and product differentiation. But up to certain extent buyers and sellers do not have perfect information. But, when they get the real information about the goods and their qualities and if others are ready to provide more and better services it is difficult to sustain in the same market with same quality.

### D) Oligopoly-

It refers to a market situation where a few sellers in a market selling homogeneous or differentiated products.

**Example** – The cold drinks industry and domestic airlines, refrigerators, T.V. sets, etc.

There are numbers of buyers buying the homogeneous or differentiated products from the few sellers. The buyers are divided into different Oligopoly firms who fix the price and output policy of their products at the desired level without the fear of losing their buyers to their rivals. It is highly difficult to the new firms to enter in this market due to the financial, technological and other barriers. But, whenever the profits are high, new firms do enter the market. The decision regarding to the change in price and output may show the different reactions from different rivals. This situation makes a firm dependent on others for its own decisions.

### Causes of unfitness-

In today's open economy, it is not so easy to compete with established oligopolies, because lower price decision taken by them to capture the maximum market will directly affect the existence of newly entered firms. So it is not so easy to new younger industrialist to become TATA, BIRLA and AMBANI.

### E) Monopsony-

This market does not have many buyers and sellers. Here the market is dominated by a single buyer, who is the only buyer to particular products and services. So, he is a price maker and the firm is a price taker.

**Example**-Health care services. A single payer of health care services system. If there is only one buyer i.e. government of health care service.

### Causes of unfitness-

Such competitive market generates barriers for demand. The open market development is totally depending upon increasing demand and supply.

### F) Duopsony-

Duopsony is a part of imperfect competitive market. In this imperfect competitive market only two buyers for a specific product or service. So they have strong bargaining power. It is one type of buyer's duopoly.

In this market the buyers are only two, but many sellers are trying to attract these two buyers, so they determine market demand.

**Example**-Apple's iOS and Google's Android. They command near about total mobile operating system of world. Therefore, they hold important sway over the labour force of mobile app developers.

### Causes of unfitness-

Such competition is more practical in certain products in specific area. But market is not stable, so two buyers for the same product or service is not the permanent condition.

### G) Technopoly-

It is based on modern techniques of buying and selling of goods and services, i.e. web, internet, etc. The prices are comparatively reasonable than open market. This is because; it breaks the chain of middleman. It controls the monopoly power of traditional markets.

### Causes of unfitness-

The technopoly competitive market brought the world closer and demand is on one button. But, it reduces the job opportunities and presents the new challenges in front of available social and physical infrastructure also.

### H) Bionopoly-

Change is the base of development. But it should be healthy. Monopoly power in open economy is the base of Bionopoly competition. Biology helps in regeneration, asexual reproduction, metamorphosis, animals' growth, growth and differentiation of stem cells in the adult organism. The countries those who are more smart in biotechnology they are using it as a weapon, to achieve a goals of development.

**Example-** Medical Biology helps in health care.

### Causes of unfitness-

Open economy makes the world over smart. Some are more interested in development with blindfold. They are using this competition to fulfil their selfishness. The possibility assumed by the scientists of use of Bio-technique weapon by China in the form of COVID-19 is the best example of unfitness of this competition.

### SUGGESTIONS:

Change is the nature of world. World starts the education to make the human aware about his rights and duties. But today, due to this education, rights control duties in a defective manner. The healthy competition is turning towards unhealthiest due certain selfishness.

1. The life and the success of the competition depend upon awareness and knowledge of buyers and sellers.
2. Producers should adopt the modern techniques for open development of all.
3. Every producer/seller should keep one important thing in his mind that, the consumer is the king of this open market. So, his health is their wealth.

### CONCLUSION:

Competition is essential for fitness of economy. But, need and place has changed the face of competition. To complete the transaction is the main motive of each competition. Its different types and positive applicability in different conditions is the need to run the world economy.

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