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Can competition policy relieve Europe's despair?

The attainment of a competitive social market economy has been an objective of European policies during the last sixty years and competition policy has been central to the European grand design. The wave of protectionist and national movements threatens this role. The paper argues that competition policy may still represent an essential answer to European malaise, which essentially depends on the difficulty of some parts of the European economies to adapt to the consequences of globalization and technical progress. However this requires substantial changes not only in competition policies, but in national and European institutions, aiming at facilitating entry and exit from the market, in particular creating a safety net for individuals. This implies a substantial change in the welfare policies of many European countries. Furthermore, the call for protectionism must be resisted, as the widening of markets is essential to offer new opportunities to companies and to individuals.