

TO WHAT EXTENT, AND HOW, SHOULD BUSINESS BE REGULATED?

By (Name)

Name of the Class (Course)

Professor (Tutor)

Name of the School (University)

City and State where it is located

Date

Introduction

The government has a duty to its citizens and businesses by ensuring both are safe from exploitation or unfavourable environment that might affect their performance. The government has a responsibility to protect and provide its citizens by ensuring all businesses adhere to the set policies, regulations, and standards (Shleifer 2005, P. 440). On the other hand, the government has a mandate to protect businesses and create an enabling business environment to guarantee their success. A major function of the government towards businesses is to regulate their activities. In every country, the government regulates business activities with the intention to protect employee and customers from exploitation, protect the environment, and hold corporates responsible for the impact of their activities on society. While implementing these regulatory policies, the government should follow the law and ensure the regulations do not become a burden to businesses.

The extent to which the government regulate businesses should ensure the rights of various stakeholders are safeguarded. This means that the government should create an environment that allows a business to operate and safeguard the rights of its employees, competitors, and clients among other stakeholders. In its regulatory mandate, the government should not oppress the businesses by implementing strict rules and laws that push businesses out of the market or adversely impact their productivity (Djankov, McLiesh, and Ramalho 2006, P. 397). The government should embrace the social and economic regulatory duties by setting up and enforcing standards that promote legitimate business activities. Therefore, the government should implement appropriate laws and policies that promote business while protecting stakeholders. Businesses should be regulated through laws that protect employees, customers, environment, and other businesses. According to the public interest or helping hand theory, the

government has the mandate to regulate business activities such as controlling prices to eliminate overcharging and protect the employees from exploitation.

This Assignment is not complete