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Competition Commission of India organizes Fifth Edition of National Conference on Economics of Competition Law

The Competition Commission of India (CCI) today organized the Fifth National Conference on Economics of Competition Law at the India Habitat Centre, New Delhi. **Dr. Bibek Debroy**, Chairman, Economic Advisory Council to the Prime Minister was the Keynote Speaker at the Conference.

Dr Debroy, in his Keynote Address, said that the issues of competition extend beyond the ambit of competition law. Functioning of markets and the extent of competition are predicated on the institutional structure and system of laws that undergird markets, he said while adding that there are elements in several statutes in India that inhibit competition Economic reforms, he emphasised, have been about markets and increasing competition. Nonetheless, while entry has been eased in manufacturing pursuant to economic liberalisation, barriers still exist in services and agriculture, he pointed out.

Referring to the structure-conduct-performance framework, he mentioned that market structure and market shares do not provide complete picture of competition. He further alluded to the inherently dynamic nature of markets, and also underlined the need to account for the level of evolution of markets in India in comparison to markets of the developed economies. Recognition of these differences are important for the application of competition principles, he emphasised. Finally, he advised against looking at markets and conduct as the two extreme outcomes of perfect competition and a monopoly. Allowing for various strategic market interactions in oligopolistic markets would help harness innovation for consumer welfare. Self-regulation by industry could preclude the need for regulatory intervention. Government or the CCI needs to step in when the requisite action is not taken by the industry. In this context, he alluded to Kautilya's Arthashastra, during which markets used to function by self compliance rather than government's intervention.

Shri Ashok Kumar Gupta, Chairperson, CCI, in his Special Address, emphasized the need for antitrust to match the economic realities of the time. In digital markets, enforcement priorities and remedies should generate optimal deterrence of anticompetitive conduct while preserving the incentives for innovation, he said. Highlighting the Commission's currently ongoing advocacy initiatives, Shri Gupta mentioned that seventeen legislations/rules/regulations were undergoing an assessment from the competition perspective to identify inadvertent policy-induced restrictions on competition, if any. On the combination review front, around 30% of the cases notified to CCI this year were under the recently introduced deemed approval system of Green Channel, he apprised while adding that the Commission hopes that this channel will promote a speedy and transparent process for approval of combinations as also to create a culture of self-compliance.

In her opening remarks, **Dr Sangeeta Verma**, Member, CCI, emphasized that the discipline of economics provides a common enforcement framework to global competition authorities but the application of this economic framework is constrained by national contexts, the level of economic development and the market realities. Referring to the e-commerce market study conducted by the Commission, she stressed on the importance of market studies for facilitating an evidence-based approach to antitrust policy. According to her, market studies would go a long way in achieving better market outcomes and mitigating potential competition concerns without the need of antitrust intervention.

The Conference, in addition to the Inaugural Session, included two technical sessions where researchers presented papers on economic issues in competition enforcement and competition issues in digital markets, a Plenary session on 'Competition for the Market', chaired by Chairperson, CCI and a Special Session on Economics of Contemporary Antirust Issues.