

CCI organises 8th edition of National Conference on Economics of Competition Law

Regulators must not hesitate to intervene to keep markets free from entry barriers, says CEA Dr. Nageswaran

Posted On: 03 MAR 2023 5:04PM by PIB Delhi

The Competition Commission of India (CCI) organised the 8th National Conference on Economics of Competition Law here today. The Conference, which brings together scholars, practitioners, academicians and experts working in the area of economics of competition law, is being organised by the CCI every year since 2016.

In his keynote address, Dr V Anantha Nageswaran, Chief Economic Adviser (CEA), Ministry of Finance, Government of India, highlighted the importance of competition in ensuring efficient markets and overall national prosperity. Competition unleashes the true potential of an economy and helps break free from status quo, he added. Free markets on their own may not guarantee the benefits of competition. Morality and ethics should undergird free market economy. In this context, he highlighted the ex-ante role of sector regulators and the ex-post role of competition agencies in creating market conditions that can mimic competitive environment. Regulators must not hesitate to intervene in order to keep markets free from entry barriers, Dr. Nageswaran said.

It is important to ensure that incumbency advantage is not abused and that the incumbents do not create a moat around them, he stressed. He further stated that if dominant firms in the market engage in unsustainable practices, which carry large negative externalities, such actions can be brought under the purview of anti-competitive practices. Besides harming social welfare in the short run, these actions can limit the emergence of new firms in the sector due to unfavorable operational conditions, he added.



Dr. Nageswaran elaborated on how regulation and competition rules must be aware of unintended consequences arising from their actions. An example given in this context was with reference to digital markets, where regulation pertaining to data ownership could help perpetuate dominance and reinforce market concentration, he added. He urged for cooperation and combined efforts between regulators and the competition authority to remove and prevent entry barriers, to keep markets competitive.

Dr Sangeeta Verma, Acting Chairperson, CCI, in her special address, highlighted the crucial role of fair and competitive markets in the post-pandemic recovery phase for the Indian industry. She stated that economic thinking, tools, and evidence provide clarity on the market conditions and counterfactuals for choosing enforcement priorities and remedies.



Dr Verma mentioned that the recent decisions of the CCI in digital matters are based on novel theories of harm driven by the economics of multi-sided markets. She referred to the aspects of access and control over

data, search visibility and demand side features that influence competition in digital settings. In view of the recent developments in digital markets, she pointed to the imperative of strengthening institutional capability within CCI. In this context, she apprised that the Commission has initiated the process of establishing a Digital Markets and Data Unit (DMDU). She further shared the advocacy efforts of the CCI in terms of conducting market studies and expressed hope that the recent opening up of regional offices in Chennai, Kolkata, and Mumbai will lead to more productive collaborations with academia throughout the country.

In his opening remarks, **Shri Bhagwant Singh Bishnoi**, Member, CCI, emphasised that the growth of the Indian economy, which recently became the fifth-largest economy in the world, has also made the need for an efficient competition regulator more critical. Quoting the preamble of the Competition Act, 2002, as being prefaced by the words "keeping in view the economic development of the country", Shri Bishnoi highlighted the linkage between competition and economic development. He further stated that the Competition Act and the Competition Commission rest on the twin pillars of law and economics. He expressed hope that the annual conference would also serve to sensitise the legal community – particularly those who deal with competition cases – on the latest developments in the economics of competition law.



The Conference, in addition to the Inaugural Session, featured two technical sessions on ‘Competition and the Economy’; and ‘Economics in Antitrust Enforcement’ where researchers presented papers on economics of competition law. The first session chaired by **Dr M.S. Sahoo**, Distinguished Professor, National Law University Delhi had papers dealing on competition in different industries and the Indian economy. Papers in the second session chaired by **Dr Aditya Bhattacharjea**, Former Senior Professor, Delhi School of Economics, focused on economics in antitrust enforcement.

The National Conference concluded with a plenary session on ‘Antitrust and Regulation: Interfaces and Synergies’ which was moderated by **Dr Arghya Sengupta**, Founder and Research Director, Vidhi Legal.

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(Release ID: 1903927)