

IMPERATIVE OF A COMPETITION POLICY: NOTES FROM INDIA

NAMES¹

Continuing the process of economic liberalization most of developing countries have adopted competition law over the last two decades. The adoption of competition law by these countries indicates a paradigm shift in policy; central planning of resources is being abandoned or limited in favour of market based allocation of resources. However, it is evident that in these developing countries the government remained deeply entrenched in the economic life of the country for a long period of time. Therefore, during the initial years of implementation of competition legislation the conflict with other legislations and policies becomes apparent. The same may arise out of the role of public sector enterprise, procurement & licensing policies and legislations that frame the market or set standards.

The proposed study will attempt to empirically investigate some of the existing policies and laws, in India to gauge their incompatibility with the Competition Act, 2002. India introduced the competition legislation in 2002; however no comprehensive completion audit of policies and legislations has been conducted so far.

The focus of earlier studies has primarily been the procurement and licensing policies; through this study we attempt to shed light on the impact of public sector enterprises and legislations that indirectly hinder the market forces. In view of the same, this study is an attempt to initiate an analysis in this direction

A completion policy does not require that transformation be overnight, on the contrary it attempts to provide a road map, both short term and long term for unraveling anticompetitive laws and policy. Therefore, the competition policy should either precede or at the very least be synchronized with the introduction of the completion legislation.

Keywords: Competition, Government, Policy, Law, Anticompetitive.

¹The views expressed in this paper are solely those of the authors in their personal capacity, and are not purported to represent the views of Competition Commission of India.