

**7th CUTS-CIRC Biennial Conference on Competition, Regulation and
Development**

Building Blocks for an Inclusive and Resilient Economy

**Inaugural Session: Diminishing Multilateralism and Economic
Recovery**

Speaking Note of PSM

It is my pleasure to welcome you all to our flagship event: CUTS-CIRC Biennial Competition Regulation and Development Conference, which is the seventh in the series that started in 2007. We have been conducting such conferences every two years since then, except for 2009, which we could not do due to reasons beyond our control. This is the first virtual Biennial that we are doing. The reason is obvious there are still some global travel restrictions in place and it is still uncertain as to when will we be travelling freely once again.

Before I proceed further in my address, let me first welcome the people on the dais. In this inaugural session, Nitin Desai, Chairman of CIRC, would be the moderator and he will also share his views on the session theme. Nitin is a distinguished economist and a well-known voice in public policy nationally and internationally, especially in the sustainable development sector. He was in the Planning Commission (India) and also served as the Chief Economic Adviser and Secretary, Department of Economic Affairs, in the Ministry of

Finance of Government of India. He also served as Senior Economic Adviser for the World Commission on Environment and Development (the Brundtland Commission) where he introduced the concept of sustainable development.

Later as the Under Secretary General for Economic and Social Affairs in the United Nations, among other things, he oversaw the creation of the Commission on Sustainable Development in the UN, and was the first Under Secretary General for Policy Coordination and Sustainable Development. Welcome Nitin!

We also have in the panel William 'Bill' Kovacic, who is a Professor of Law and Policy at George Washington University in the US. He is one of the globally renowned exponents of competition law and policy. Among other things, he has served as General Counsel and Chairman of the Federal Trade Commission in the USA and as a Non-Executive Director of Competition and Market Authority, United Kingdom. He has advised several countries and international organisations, including CUTS, on competition, regulation and consumer protection. Unfortunately, Bill will not be able to join us live as it is too early in the morning in the USA. But he has sent his pre-recorded address, which will be played soon. Welcome Bill in absentia.

We also have on the panel Isabelle Durant, the Deputy Secretary-General, UNCTAD. She served as Acting Secretary-General for around seven months before a new Secretary-General, Rebeca Grynspan, took office in September this year. Her contribution towards making international trade more inclusive and greener is significant. She has also been an advocate for gender equality. A former Vice Prime Minister and Senator of Belgium as well as Vice President of the European Parliament, Isabelle possesses solid experience in public affairs, intergovernmental processes and providing concrete assistance to countries. She had also attended the 6th Biennial held in Jaipur and had impressed all with her comments. Welcome Isabelle!

I am further delighted to welcome Arancha Gonzalez. Arancha served as the Minister of Foreign Affairs in the Spanish government till recently. She has also served as Executive Director of the International Trade Centre (ITC), the joint development agency of the UNCTAD and the World Trade Organisation. Before that, Arancha served as Chief of Staff to WTO Director-General Pascal Lamy. During her tenure at the WTO, she played an active role in launching the Aid for Trade initiative. She had also held several positions at the European Commission, conducting negotiations of trade agreements

and assisting developing countries in trade-development efforts. Welcome Arancha!

We also have with us Rathin Roy, who is Managing Director – Research and Policy at the Overseas Development Institute. ODI is one of the partners in this Biennial along with OECD and European University Institute. Rathin is an excellent economist and vocal on economic policy matters. His policy interests and research has mainly focused on fiscal and macroeconomic issues pertinent to human development in developing and emerging economies. Rathin has also served as the Director and CEO of the National Institute of Public Finance and Policy (NIPFP) in New Delhi. Furthermore, he has been an Economic Diplomat and Policy Advisor at the United Nations Development Programme (UNDP). He has also served in PM Economic Advisory Council as well as an Economic Adviser with the Thirteenth Finance Commission of India. Welcome Rathin!

Our last, but not the least, panellist is Sangeeta Verma, who is a Member of the Competition Commission of India. She has served as a senior officer in the Indian Economic Service. We are grateful and obliged that she agreed to be a panellist on a very short notice. Most welcome Sangeeta!

Ladies and Gentlemen!

Before I hand over the floor to the Chair, please allow me to say a few words about the Biennial series and the topic of this important session.

Every time we chose our themes carefully taking into account, among other things, its relevance to developing countries and its currency as well as its connection with 'development', 'competition' and 'regulation'.

The idea for the biennial series was conceived in the backdrop of developing countries concerns of frequent regulatory failures that undermine the capacity to achieve policy solutions important to citizens and consumers. Such failures are due to persistent and common patterns of over-regulation, under-regulation, poorly designed regulation and implementation, as well as weak institutional capacities.

In our First Biennial in 2007, we discussed political economy and governance constraints that developing countries face in implementing their competition and regulatory regimes. Two important publications came out of this event which contained nearly 30 papers from around the world on the topic. These are available on our website. They have also been cited in various research papers.

Similarly, during Second Biennial in 2011, the chosen theme was “Reviewing the Global Experience with Economic Regulation” where the idea was to showcase the heterogeneity of approaches in different countries vis-à-vis the rationale for economic regulation and methodology for its evaluation; regulatory frameworks and approaches for achieving regulatory coherence etc.

In the Third Biennial in 2013 we deliberated upon “Competition Reforms: Emerging Challenges in a Globalising World”. CUTS strongly believes that competition reforms should be pursued to level the playing field and prevent interest groups and individuals from controlling the market.

The Fourth Biennial in 2015 was held for the first time outside India, in Nairobi. Its theme “Competition Reforms in Key Markets for Enhancing Social & Economic Welfare in Developing Countries” was basically outcome of a project (CREW Project), which we carried out in four countries: Ghana, India, the Philippines and Zambia across two common sectors: Staple Food and Passenger Transport.

The theme for the 5th Biennial in 2017 held in Jaipur was: “Fostering Innovation for Sustainable Development – Revisiting IPRs & Competition from the lens of Optimal Regulation.” While the first part was the central theme, the second part was two related sub-themes of “IP-Competition

interface” and “optimal regulation”, which are crucial for a good innovation ecosystem. Isabelle Durant, DSG, UNCTAD was there as our Honoured Guest.

In December 2019, the 6th Biennial before the present one, we focused on the nuances of the digital economy and the chosen theme was: “Making Competition and Regulatory Regimes Matter in Increasingly Online Developing World”. This Biennial was held in Delhi, few days before the news about the corona virus and COVID-19 began making the global headlines.

A couple of months later the world saw the havoc that has never been seen before. The pandemic was there. The world stopped moving. While the global supply chains were very badly hit, the domestic supply chains also faltered. Public health prevailed over national economies. Governments were struggling to streamline supplies of basic essentials like food and medicine and also masks, sanitisers and PPE kits. The healthcare systems were under immense pressure, and economies were getting hit badly. It hit the small businesses and manufacturers, particularly those dealing in non-essential products, the most. In India, migrant workers and daily wage earners came out on roads. Many countries saw migrant workers returning to their native places, many of them travelled thousands of miles on foot.

Now the world no more needed data on inequality – it was visible, staring all of us in our face. The cry about ‘Inclusive and Resilient Economy’ got louder in the policy circles.

Klaus Schwab, the founder and executive chairman of the World Economic Forum, called for ‘Great Reset’ of capitalism and requested the world to act jointly and swiftly to revamp all aspects of societies and economies, from education to social contracts and working conditions. Similarly, David Malpass, President of the World Bank Group, called for an approach to economic recovery that results in a broad and lasting rise in prosperity, especially for the poorest and most marginalised.

In these reverberating calls for ‘Great Rest of Capitalism’ or ‘Build Back Better’ or ‘Build Back Broader,’ we decided to keep this transformational issue as our theme of the present Biennial – Building Blocks for an Inclusive and Resilient Economy. The idea is to look at the theme from different perspectives and bring out a roadmap for competition and regulation, especially for the Global South.

There are sub-themes, presented as session themes, which constitutes some key building blocks that can result in inclusive and resilient economies. The theme of this Inaugural Session is Diminishing Multilateralism and

Economic Recovery, where we are focussing on the surging protectionism and its effect on inclusivity and reliance.

CUTS has run a campaign on “What Would Happen to a World Without the WTO”.¹ In April 2020, CUTS International had issued a statement for endorsement “COVID-19 and a Global Call to the WTO Members: Pledge for Trade as a Global Public Good”. We also had several webinars on this issue, and based on which we came out with a discussion paper.² In sum, the outcome is that while we should not denounce WTO and multilateralism, it must however inculcate reforms to engender more inclusivity.

In terms of multilateralism I would be amiss to not mention the Glasgow Cop26 summit held last week where the usual North-South divide dominated the discussions and nations could not agree on many things. But this is not the place to go into details here, except to note that the civil society everywhere have to get more active than before in order to protect our one and only Earth.

It would be interesting to hear views of panellists on this and other social and economic issues that I have stated earlier.

¹ <https://cuts-citee.org/campaign-on-a-world-without-the-wto/#menu3>

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Let me also quickly flag the themes of other sessions. In the next session after this we are looking to hear panellists on the theme: Growing Market Power and Concentration – Role of Competition and Regulation. Growing market power, which further got accelerated during pandemic as big became bigger particularly in the digital markets, is an issue that need to be resolved should we want inclusive and resilient economies. Thanks to Sangeeta, we have heard some relevant views on this.

Today's last session would deliberate upon the theme Equitable Access to COVID-19 Healthcare. This is very important because unless we all are safe, none is safe. This session is likely to have some lively debates on trade, intellectual property and competition interfaces.

Tomorrow we have three sessions lined up. The first would discuss the theme E-Commerce as a Vehicle for Inclusive Global Economy. Since, the pandemic has increased reliance of businesses and consumers on digital platforms, it would interesting hear how digital commerce can result in inclusive global economy. Competition and regulatory issues, particularly those related with regulation of data, would be the dominant narratives. The second session on the 2nd day is on the theme Creating More Income Opportunities and Jobs, since this is one of the key building blocks of any inclusive

economy. We need consumers to be able to satisfy their basic needs and get opportunities to do so but also drive the economy. One more issue which bothers many of us is the increasing inequality, some of these issues can be resolved by innovative use of competition tools.

In the last session of the Biennial - The Emerging Roadmap for a Resilient and Inclusive Economy – we are going to be benefited by listening to some of the globally renowned exponents and sharp minds helping us devise the contours of a roadmap that could lead us towards resilient and inclusive economy.

I would also like to take this opportunity to thank our donors, such as DFID, World Bank, NORAD, GIZ etc. They have supported our works on trade & development; competition and regulation; consumer protection and governance issues.

Ladies and Gentlemen, I once again welcome you all to this conference, and look forward to a healthy discussion which can plot out some road maps for the international community to hear and use so that human misery is reduced. With this I am handing over the proceedings to Nitin Desai to take the discussion forward. The session is being recorded. Nitin the floor is yours.

Thank you!