

## 5<sup>th</sup> December 2017 - World Competition Day

### 8<sup>th</sup> Call from CUTS International

#### Theme: Competition and Disruption

---

*The concept of disruption is about competitive response – Clayton M Christensen*

#### World Competition Day

It was on 5<sup>th</sup> December 1980, that the UN Conference approved the UN Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices. CUTS International once again requests competition agencies, civil society organisations, academia, media, etc., to extend their support to its annual endeavour of observing 5<sup>th</sup> December as the World Competition Day (WCD). Considering the disruptive technological advancements in the global economy, the theme selected for this year is 'Competition and Disruption'.

#### Competition and Disruption

Alvin Toffler, famous American writer minced no words while stressing the increasingly need of innovative disruption for success in the 21<sup>st</sup> century: "The illiterate of the 21<sup>st</sup> century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn". The past decade witnessed exponential evolution of online digital technology.

Numerous innovative online businesses, which employ disruptive technologies and business models, have emerged across sectors, such as urban mobility, finance, commerce etc. Characterised by inherent efficiency improvements, cost-effectiveness, network effects and tipping, these new age businesses are constantly challenging traditional business methods. Incumbents who decided to trust in 'what worked yesterday, will work tomorrow' are risking a similar fate of Nokia, whose CEO was quoted saying "we did not do anything wrong, but somehow, we lost".

New age technology driven business models are profoundly affecting existing industry practices, and are even eliminating incumbent firms in certain markets. Bearing the brunt of digital disruption, traditional businesses are on the hunt for regulatory protection. It is evident that quite often they advocate for existing regulations to be applied to new age businesses to throttle their competitive advantage.

The questions to be addressed by policymakers are: what is the role of competition policy, and how should competition authorities respond to the hyper-dynamic market scenario? An optimal regulation, which adequately protects innovation, and simultaneously enhances competition and consumer welfare, is the need of the hour.

#### How can you Contribute?

CUTS International suggests few tools or methods, which could be adopted for celebrating the WCD. These comprise: organising seminars and road shows; preparing advocacy materials like pamphlets and posters; publishing newspaper articles and press releases; and undertaking social media campaigns etc.

The goal is to spread awareness among the citizens regarding the benefits of a competitive market structure and the harmful effects of anticompetitive practices both at national and international level.

Besides, countries and competition authorities are free to choose their own themes, and CUTS would be grateful to be aware of your respective activities on this occasion.

Interested countries/competition agencies are encouraged to contact:

**Udai S Mehta** ([usm@cuts.org](mailto:usm@cuts.org); +91-9829285926) / **Sidharth Narayan** ([sid@cuts.org](mailto:sid@cuts.org); +91-9810064675)  
for assistance, providing feedback on actions taken.