COMPETITION & INVESTMENT

CUTS Centre for
Competition, Investment
& Economic Regulation
Discussion Paper

**Dimensions of
Competition Policy
and Law in
Emerging Economies**

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Investment & Economic Regulation
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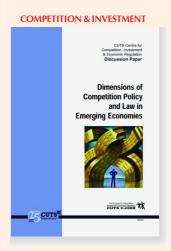## Dimensions of Competition Policy and Law in Emerging Economies

Emerging economies are characterised by fast transformation and rapid economic growth. Competition law and policy should help these economies enhance their growth prospects by promoting efficiency in resource allocation and production and enhance consumer welfare. However, the pursuit of competition policy in emerging economies is complicated by the need to achieve economies of scale through an industrial policy and the needs of the developing world to tackle the economic might of the developed world, through inter-country cooperation.

This paper shows that a happy compromise between competition and industrial policy and efforts to stimulate co-operation is not only desirable but possible. It identifies inadequate awareness and lack of competition culture as stumbling blocks to the successful adoption of competition policy and law by emerging economies. The paper also goes on to clarify implementation modalities, such as the shaping of the content of competition policy and law and the empowerment of competition authorities needed for effective implementation of the competition law.

This discussion paper can be viewed at:
http://www.cuts-ccier.org/pdf
Dimensions_of_Competition_Policy_and_Law.pdf

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Vouchering School Education in India

The education policy in India needs to be redefined as government schools are no longer able to meet the demand for quality education. More than 95 percent of the expenditure on these schools goes into salaries, leaving nothing for the maintenance and capacity enhancement of such schools. Children who attend these schools do so because of the poor purchasing power of their parents.

The problem with the existing school education system in India is that most of the public money allocated to government schools is spent inefficiently. Introducing competition between schools, through education vouchers, can resolve this problem. Education vouchers typically transfer purchasing power to needy students, rather than government schools.

This briefing paper lays emphasis on vouchers which enhance choice for students constrained by the ability of their parents to pay for school education. This results in both an increase in the average quality of education as well as equity. At the same time, more in depth research into the impact of vouchers in Indian settings is required.

This briefing paper can be viewed at:
http://www.cuts-ccier.org/pdf/Briefing_Paper10-Vouchering_School_Education_in_India.pdf

India ASEAN FTA: *A Move towards Multilateral Free Trade Agreements?*

The Association of Southeast Asian Nations (ASEAN)-India FTA (AIFTA) was inked on August 13, 2009 in Bangkok after six long years of negotiation which started in 2003 as a part of the Framework Agreement on Comprehensive Economic Cooperation Agreement between India and the 10 Southeast Asian countries. The AIFTA became effective from January 01, 2010. The signing of this agreement is an important milestone in India's 'Look East Policy'.

In addition to providing access to a large and growing market, this is a stepping stone towards India's participation in the larger Asian community, ultimately culminating into the Asian Union in the long run. This agreement, however, has also created controversies with substantial domestic resistance, particularly from the plantation sectors in the southern states of the country.

The objectives of this briefing paper are to examine the significance of AIFTA for the existing trading relationships between India and ASEAN countries and the modalities of the Trade in Goods Agreement, and assess the concerns and criticisms emerging from different circles.

This briefing paper can be accessed at:
http://www.cuts-citee.org/pdf/Briefing_Paper10-India_ASEAN_FTA-
A_Move_towards_Multilateral_FTA.pdf