

**Twenty-Second Intergovernmental Group of Experts on  
Competition Law and Policy  
Room XIX, Palais des Nations, Geneva  
3-5 July 2024**

**Roundtable:**

**UNCTAD IGE Competition Policy and Poverty Reduction  
Appreciating the Symbiosis**

**Presentation**

*Prof. Eleanor Fox*

*Professor Emerita*

*New York University School of Law*

*This material has been reproduced in the language and form as it was provided. The views expressed are those of the author and do not necessarily reflect the views of UN Trade and Development.*



# ROUNDTABLE: UNCTAD IGE COMPETITION POLICY AND POVERTY REDUCTION APPRECIATING THE SYMBIOSIS

Eleanor FOX, Professor Emerita, New York University School of Law

Geneva, 4 July 2024

# thesis

---

- Since the new millennium there has been an outpouring of literature highlighting the systemic poverty confronting nearly a quarter of the world
- United Nations issued the MDGs and SDGs prioritize ending poverty
- At first the (Global North) antitrust community responded: “not my problem”
  - Gradually, it began to make connections, on both causes and solutions
- These remarks are about the journey to embracing the SDGs; to taking distributional consequences seriously; **mainstreaming pro-poorer antitrust**
  - Of course, the Global South always did

# outline

- 1 The existential problem of poverty
- 2 The evolving recognition by Global North of its antitrust relevance -- From disregard to embrace
- 3 The pro-poorer agenda
- 4 The right to food – coming full circle

# 1 the existential problem



- 700 million people live in extreme poverty – World Bank
- 333 million children
- After progress, backsliding 2020-22
- 1.18 billion live in energy poverty
- Tragic choices
- MDGs, SDGs

# Causes: Is the market complicit? Is market power complicit?

- The market helps a lot but
  - **Players with market power and significant bargaining power cause harm**
  - Farmers: High prices of inputs, squeezed on outputs
  - Consumers overcharged
    - Soaring prices – food, fuel (multiple reasons – market power is one)

# Cures, alleviation

- Poverty reduction strategies. The lists never mention antitrust
  - Most frequent: education, jobs, growth, access to capital, health care, govt public services -food etc.
- Very complicated, but we know that well functioning markets lower prices of necessities; opportunity
  - Think – without markets/antitrust

# 2 Antitrust relevance of poverty:

## Global North - from dismissal to embrace

The years of dismissal –1980s, 1990s; Washington Consensus

- “Not our problem”; denial of relevance of distributional values
- Human rights community and Antitrust/markets community - at odds
- US: laissez faire, worried about antitrust intervention; bigger pie,
  - rising tide lifts all ships
  - Equity as enemy of efficiency. Talking fairness: you were outside of the conversation
- While to Global South agencies – poverty & poorer always at center – the unbanked, etc



## ... Antitrust relevance - 2

- But gradually at millennium – In US: growing discontent of the people with markets' returning wealth to the wealthy → progressive movement, neoBrandeis movement
- A barrage of facts: poverty increases, wealth gap grows, business power/profits increase. Picketty.
  - IMF research: Rising tide does not lift all boats.

# 4 The pro-poor(er) agenda

Why not just pro-poor?

- There is no competition law for the rich and competition law for the poor
- When we separate out the very poor, tempted to think, the solution is priorities
  - This is important but is what we do now, and is not enough

We need vision/perspective that puts the non-elites at center

- Affects everything from what is market power, to what is an exclusionary practice, to caring about who wins and who loses
- See E. Fox, OECD Global Forum on Competition and Poverty Reduction 2013  
<https://www.oecd.org/daf/competition/competition-and-poverty-reduction2013.pdf> p 325

**Whether you can observe a thing or not depends on the theory you use.**

**It is the theory that decides what can be observed.**

**Albert Einstein**

## 5. Right to food: coming full circle

The antitrust community has identified *food and digital* as most urgent

So. Africa, Kenya, COMESA pursue major project on food. Study price data, identify suspicious flows. Ask:

**Why is price of food out of reach for ordinary people?**

Special Food Project in the ICN. Essentially pro-poor/er

By selecting a subject matter of highest importance to life and especially to the poor, the researchers and advocates have brought us full circle from cold microeconomics with hidden assumptions markets work, to markets for humanity. Whether for equity or efficiency, the project can help lift people out of poverty and keep them from sinking more deeply into it.

**The best of antitrust.**

# CONCLUSION

**POVERTY IS A MARKET PROBLEM AS WELL AS A HUMANITARIAN PROBLEM. ANTITRUST HAS A ROLE.**

**IT CAN PLAY ITS ROLE BEST IF THE LAW IS PRO-POORER, NOT PRO-ELITES, AND APPRECIATES ESPECIALLY THE HARMS VISITED ON THE MOST VULNERABLE POPULATIONS.**

eleanor.fox@nyu.edu