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REVIEW ARTICLE

HISTORICAL DEVELOPMENT OF COMPETITION LAWS IN DEVELOPED AND DEVELOPING COUNTRIES

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ABSTRACT

This paper attempts to highlight the historical development of Competition Laws with a view to gain insight into the underlying reasons that have led to development in the field as an important requirement for a competitive business environment in some developed and developing countries. The origin and goals of implementing major legislations during different periods of time in countries having well known established Competition Laws are discussed to give a picture of their importance and the reasons behind their implementation. What seems to encourage is that whilst the objectives of implementation diverge in many countries, the main objectives of competition laws however remains the maintenance of an efficient and effective competitive system with the aim to reduce anti-competitive behaviour and improve consumer welfare.

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INTRODUCTION

The assertion made by Adam Smith regarding the virtues of a free-market system has long been supported in evidence by many economists during the last two centuries. They have applauded the merits of a highly competitive system where the 'invisible hand' will naturally operate so that the market will be organized in such a way that producers will supply goods and services which consumers want or prefer. However, with the practical existence of market failures, a perfectly competitive environment has often been considered as a 'wishful thinking' by many policy makers. In fact, it has even been suggested that 'competition sows the seeds of its own destruction' (Furse 2006, p.2) and that a free market system without any protection is bound to failure since some firms may achieve dominant positions in any particular market industry thereby preventing others from competing. This is why many policy makers and academics alike have increasingly raised concerns that competition needed protection in the form of appropriate regulatory and institutional frameworks (Furse, 2006). In this context, the application and maintenance of Competition Laws have often been viewed as a watchdog against anticompetitive practices and "represents an attempt by governments to move industries closer to the "ideal" price and output conditions that can prevail under a perfectly competitive market structure" (Webster, 2003, p. 690). In fact, Competition Laws characterise a form of government intervention to restrain abusive and uncompetitive behaviours in the market and hence control abusive market power (Webster, 2003).

Although the main aim of Competition Laws is not only to achieve perfect competition as a replacement of monopoly (Furse, 2006), they do also, as Jones and Sufrin (2008) postulated, exist to protect competition so that the market operates efficiently and effectively. Similar views were posited by the United Nations (2007, p3) in its report on a model law for competition when it was highlighted that the aim of Competition Laws should be "to control or eliminate restrictive agreements or arrangements among enterprises, or mergers and acquisitions or abuse of dominant positions of market power, which limit access to markets or otherwise unduly restrain competition, adversely affecting domestic or international trade or economic development". However, Jones and Sufrin (2008) further advanced that while some scholars sees economic goals such as the maintenance of effective and efficient competition as the main objective of Competition Laws, others have also seen this regulatory measure as an appropriate means to enhance consumer welfare

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through the protection of fair competition. Along the same line, Cseres (2005) posited that by aiming at a competitive market system by favouring new market entrants and encouraging innovations, Competition Laws will *de-facto* protect consumers. Thus, the implementation and maintenance of Competition Laws will "ensure that consumers pay the lowest possible price coupled with the highest quality, choice, and suitability of goods and services" (Ashton and Pressey 2011, p1030). Though the literature highlights diverging views about the real objectives of Competition Laws, it has been widely accepted however that Competition Laws will ultimately provide better protection to consumers.

Enacting Competition Laws, in fact, is not a new phenomenon and its origins can be traced back to the time of the barter system where governments made efforts to control conduct of men in trading activities (Jones, 1926). Some have even suggested, without great conviction however, that it is based on the 483 Constitution of Zeno, Emperor of the East from 474 to 491 (Furse, 2006). It is said that at that time, emperor Zeno issued an edict to the Praetorian Prefect of Constantinople to prevent monopoly situations especially in clothing and food markets (Kirkbride, Letza and Yuan, 2010). However, it is often argued that the history of 'modern' Competition Laws is relatively recent in developed and developing countries. Against the preceding background, this paper attempts to synthesize the historical development of major Competition Laws around the world.

Evolution of Competition Laws in Developed Countries

Although the concept of Competition Law might have originated a long time ago, prior to World War 2, the United States has always been considered by many researchers as the pioneer country to have set the pace for others to follow in matters of Competition Laws (Hunter, 1969, p.9). Indeed, it is recognized that the United States was the first country to have developed a well established modern system of Competition Law with the introduction of the Sherman Act in 1890, the Clayton Act and the Federal Trade Commission Act in 1914 (Waller and Muente, 1989). In fact, its origin from the United States has often driven its interchangeable use with the term 'Antitrust Law' in various literatures (Taylor, 2006; Jones and Sufrin, 2008; Ashton and Pressey, 2011). Such has been the impact and importance of this piece of legislation that it is worth noting that it has been one of America's twentieth-century most durable goods (Peritz, 2000).

However, it is worth noting that Competition Laws such as the Sherman Act were considered as "little used instruments" before the 1930s as it was only introduced on basis of envy and frustration rather than with the aim to improve public interest (Hunter, 1969). Moreover, the old Sherman Act was frequently criticized since it only contained general language and merely offered guidelines in the way its goals could be interpreted (Gerber, 2004). Despite these shortcomings, it remains a fact that the origin of modern Competition Law and Policy in the United States coincides with the introduction of the Sherman Act as early as the 19th century as "a reaction to the formation of trust in the United States" (Motta, 2004, p.1); a period which was marked by unprecedented waves of mergers due to changes happening in the manufacturing industries (Motta, 2004). These trusts were seen as using their economic power to force competitors out of markets, gaining unfair terms with their suppliers and raising prices of goods and services at the detriment of consumers (Gerber, 2004). In fact, one of the powerful aspects of the Sherman Act remained its section 2 which made provision for demonopolisation (Ping *et al.*, 2000). However, Ping *et al.* (2000) further advanced that while this Act provided for demonopolisation in terms of preventing firms from attempting to indulge in monopoly situations, holding a monopoly itself was never illegal at that time.

It is also agreed that the development of Antitrust in the United States was due to increasing pressures caused by agricultural heartland of the United States when farmers faced difficulties in terms of higher wages and prices, and rising freight costs from railway companies (Furse, 2006). Moreover, the introduction of these legislations came at a period when the United States faced situations of burdens and protests against industrialization, and violent strikes and occasional riots (Rostow, 1960). For this reason, the Sherman Act came as a response to the then 'weak' American Corporation Law, which was a state law and not a national law (Rostow, 1960).

Moreover, with a view to strengthen and complement the Sherman Act, the Clayton Act was promulgated after a few years when in 1914, the President of the United States promised to improve the competitive business environment (Hall, 2003). The main objective of the Act was to improve competition by getting rid of monopoly. It aimed to condemn business practices such as acquisition of stock by a competitor, interlocking directorates, price discrimination by giving consumers an advantage by charging them lower prices than their competitors, and exclusive or tying contracts (Hall, 2003).

Likewise, the Federal Trade Commission Act, which established the Federal Trade Commission, was similarly a Presidential initiative and was enacted in the same year of the Clayton Act with a view to "protect consumers from unfair methods of competition and unfair or deceptive acts in commerce" (Hall, 2003, p.430). However, Hall (2003) asserted that the Act had its flaws since its aim was more to prevent rather than punish any offenders of anti-competitiveness (Hall, 2003). Later, the Act was thus amended with the introduction of the Wheeler-Lea Act in 1938 which prohibited a variety of deceptive practices in commerce and extended the authority of the Federal Trade Commission to better protect consumers (Keat and Yang, 2003; Hall, 2003). Similarly, in 1936, the Robinson-Patman Price Discrimination Act amended sections 2 and 10 of the Clayton Act with a view to enhance the regulatory and institutional capacity of the country to deal with anticompetitive practices. In this way, though many scholars asserted that the original legislations were not perfections, it illustrated the efforts put in at that time by policy makers to better protect competitors and consumers. It goes without saying that these legislations have been the stepping stone for further legislations of Antitrust in the coming decades and constituted the core of Antitrust legislations (Ping *et al.*, 2000).

After World War 2, in 1950 section 7 of the Robinson-Patman Price Discrimination Act was amended with the enactment of the Celler-Kevauver Antimerger Act which corrected another major flaw of the Clayton Act which prohibited only stock transaction among competitors and not asset transaction (Ping *et al.*, 2000). Also, in 1976, the introduction of the Hart-Scott-Rodino Antitrust Improvements Act also brought amendments to the Clayton Act with a view to transform the roles of some key institutions namely the Department of Justice and the Federal Trade Commission (Ping *et al.*, 2000). This amendment provided that any merger which occurs between firms of sufficient size will be subject to formal review by the Department of Justice or the Federal Trade Commission (Ping *et al.*, 2000). Hence, this Act imposed a premerger notification requirement on large firms which had annual sales of $10 million and $100 million in assets (Keat and Yang, 2003).

Despite the number of competition legislations implemented in the United States with different goals, Antitrust Laws have remained dynamic and many changes have been witnessed during recent years (Gerber, 2004). Gerber (2004) stated that since the 1970s, scholars from the "law and economics" movement have been refining the goals of Antitrust so that they be narrowly defined as compared to how they had been traditionally defined in the past. The goals, as they referred to, should be mainly defined with reference to economic theory (Gerber, 2004). The changing economic ideology brought a redefinition of Antitrust that gained great popularity in the 1980s and thus reoriented Antitrust analysis (Gerber, 2004). Despite the fact that till today, several competition legislations have been promulgated by the United States with different objectives, it remains a fact however that, the overall goal of United States Antitrust laws is to enhance the benefits of the consumer be it in terms of prices, fairness or eliminating concentration of market power (Fox, 1997).

The history of Competition Laws has also been marked by the development of the European Competition Law. Even though it was not well established before World War Two, Competition Laws in Europe had their origin in Austria since 1890 when a group of scholars and administrators articulated on an idea of Competition Law with a view to improve competitiveness (Gerber, 2004). Even if this idea was blocked in 1897 by political turmoil within the empire (Gerber, 2004), it formed the basis for the enactment of the first Competition Law in Germany in 1923 in the so-called *Kartellverordnung* during the Weimar period (Gerber, 1998; Gerber 2004). The goal of that piece of legislation was to control powerful corporations from distorting competition, and harming consumers and potential competitors (Gerber, 2004). Moreover, although this idea of Competition Law was later abandoned due to its weaknesses, it created the platform for debate for the future development of Competition Laws in Europe after World War Two (Gerber, 1998 cited in Jones and Sufrin, 2008).

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After World War Two, with a view to, amongst others, "encouraging economic revival, reducing class antagonisms, undergirding recently re-acquired and still fragile freedoms, and achieving political acceptance of postwar hardships", many European countries focused their attention in promulgating and implementing Competition Laws (Gerber, 2004 p.323). In Germany, however, as Gerber (2004) added, post war Competition Laws had a different philosophy since the main goal was to ensure European integration. In fact, well before World War 2, this idea of integration was secretly pondered by a small minority group of Nazi in the event of Germany's defeat in the war.

The turning point for a unified European Competition Law was the treaty of Paris in 1951 which established the first community competition control with a view to establish a European coal and steel community (Rodger and MacCulloch, 2011). However, it was the Rome Treaty of 1957 which established what was known as the European Economic Community which set the platform for regional integration in Europe (Gerber 2004; Whish, 2009; Rodger and MacCulloch, 2011). Thereafter, following the treaty of European Union in 1992, the European Economic Community has been renamed as the European Community (Rodger and MacCulloch, 2011). In fact, the Rome Treaty formed the basis of the modern European Competition Law (Whish 2009). Actually, the Treaty for the functioning European Union which has as aim to have a single European market and to economically integrate all member states, comprises clauses for European Competition Laws with central rules of the treaty including amongst others Article 101, 102 and 106 to enhance competitive practices and enable National Competition Authorities of member states to fully apply the clauses of the Treaty (Fox, 1997; Singh, 2006; Whish, 2009).

In fact, Competition Laws had taken such a dimension in the European region that the late 1980s and early 1990s have also seen the emergence of national Competition Laws in many countries other than formerly Eastern European countries (Gerber, 2004). Countries like Italy and France promulgated National Competition Laws which were aligned to the European Competition Law (Gerber, 2004).

On the other hand, it is worth noting that despite the existence of a unified European Competition Law, Britain is well known to have its own and well established National Competition Law. In fact, the history of Competition Laws dates back from many decades ago. However, despite the existence of legislations against monopolies and anti-competitive practices even before the Norman conquest (Bork, 1978), it is suggested that modern statutory controls were similarly introduced in the aftermath of the World War Two by the then Labour Government with the Monopolies Act 1948 and the Restrictive Trade Practices Act 1956 (Scott, 2009; Rodger and McCulloch, 2011).

These Laws had as main goal to reorient corporate power to social interest by achieving full employment. The Labour Government at that time believed that full employment could be achieved through, *inter alia*, a competitive business environment. However, as Scott (2009) suggested, those who implemented the laws at that time were not big favorites of the free market ideology and the laws were found to be either under-utilised or perceived as incomplete. As Wilks (1999) highlighted, although the 1948 Act did cater about monopoly and restrictive practices, it did not find them unlawful.

Similarly, while the 1956 Act provided stronger management and enforcement of restrictive practices with the mandatory registration of agreements by firms with the Registrar of Restrictive Trade Agreements, it nevertheless allowed leeway for firms to contend that in fact their agreements did not go against wider public interests (Scott, 2009).

Later on, Britain promulgated several Competition Laws such as the Retail Prices Act of 1964, the Restrictive Trade Practices Act of 1976 (Hunter, 1969), the Fair Trading Act 1973 and the old Competition Law 1980. These legislations emanated from two green papers on Competition Law which better highlighted aspects related to anticompetitive practices (Whish, 2009; Scott, 2009). In fact, reports of the Monopolies Commission and judgments of the Restrictive Practices Courts together with the wind of change which was experienced by other countries from the European Economic Community, acted as a background for the enactment of these legislations in Britain.

Even with the presence of those piece of legislations however, and despite the wind of change of political and economic ideologies that was brought forward by Margaret Thatcher in 1979 and the early 1980s, it was only in the 2000s that Britain was known to have really implemented effective Competition Laws (Scott, 2009). Though privatization, contracting out, liberalization and deregulation became one of the main philosophies at that time, Britain did not possess Competition Laws that could envy other developed countries like the United States and other big European countries. In fact, one of the major factor that brought changes in respect of the Competition Law philosophy in Britain was the EC Competition Law which provided supervisory control regarding trade between member states (Scott, 2009).

To illustrate further, without a doubt, the enactment of the following two legislations introduced by the British Government redressed this balance and brought major changes in the UK domestic Competition Law and instilled it to the same principles of the EC Modernisation Regulation especially Article 81 and 82 which reduced the burden on companies (Furse, 2006; Whish, 2009; Scott, 2009):

(i)The Competition Act 1998. This Act contained two prohibitions: Prohibition 1 that is, forbidding agreements with the objective of restricting competition and, Prohibition 2, that is, forbidding the abuse of a dominant position (Whish, 2009). Such was the importance of aligning it to the application of the EC Competition Law that, Section 60 of this law required that those applying it to "follow EC Law unless there is a relevant difference" (Furse, 2006, p.40). In fact, Chapter 1 and 2 prohibitions resembles Ex Article 81 and 82 of the EC Competition Law (Marsden and Whelan, 2006); (ii) The Enterprise Act 2002. This Act was enacted with the objective to attend to other areas which had not been taken care of by the Competition Law 1998 (Furse, 2006). It was also introduced to leave a more open and transparent regime (Scott, 2009). The Act formed the basis of institutional reforms which included the decision making empowerment of the Competition Commission in relation to merger and market investigations (Whish, 2009). This Commission, though a creation under the Competition Act 1998, was hence given more powers (Whish, 2009); and (iii) Other Enactments (Amendment) Regulations 2004. In 2004, to bring the Competition Law in line with the Modernization Regulation of the EC, several amendments were made which included amongst others, the repeal of the exclusion of vertical agreements from Chapter 1 prohibition of the Competition Law 1998 (Whish, 2009).

Besides, it needs to be highlighted that regulating Competition Laws in other European countries especially in formerly Eastern European Countries having socialist regimes was never an easy exercise. Competition Laws were seen as unnecessary prior to and few years after World War Two and it is only recently in the 1990s that many of these countries such as Hungary have moved towards implementing a national Competition Law (Cseres, 2004).

Though having as goal to prevent anti-competitive practices, the European Competition Law is nonetheless considered as unique in itself since as compared to other Antitrust Laws, it is meant for a whole range of countries with the goal to eliminate barriers between countries and enforce a single market (Dabbah, 2003). On the whole, its main goal is to promote competition and ensure regional integration (Gerber, 2004). On the other hand, it is important to note that though the United States Anti-trust Law and European Competition Law have different origins and systems of enforcement, they do however share similar objectives of advancing the interests of consumers and protect producers' entrance in the market (Fox, 1997).

Furthermore, it is worth noting that after World War Two, many developed countries around the world had developed their own National Competition Laws. Developed countries from continents other than Europe as well had also their own competition legislations. For instance, Canada had the Combines Investigation Act, New Zealand its Trade Practices Act 1958-61, and Australia had the Trade Practices Act 1965 (Hunter, 1969). Today, many such countries have developed well established Competition Legislations meeting international standards.

Evolution of Competition Laws in Developing countries

Though many developing countries still lack well developed Competition Laws, it remains a fact however, as Ergas (2009) suggested that the diffusion of modern Competition Law worldwide has been quite fruitful as the last decade had witnessed the implementation of Competition Laws at national level in more than 70 developing and transition economies around the world. Gal (2004) even stipulated that the development of appropriate Competition Laws was considered by many developing countries as a precondition for a more liberalized economy and globalised society. He added that the liberalization and privatization movement of the 1980s in many developing countries which happened due to political, economic, technological and ideological forces, had given greater importance to Competition Law implementation as an important condition to meet the requirements of the modern world. He further added that since the 1990s, globalization

had gathered more pace and led to changes in the international business environment where there had been what he called 'gigantic cross-border merger movements' which might lead to dominant monopoly situations of big international firms in certain markets of developing countries. Hence, the importance of implementing Competition Laws to meet these challenges had never been so strong since the past two decades in developing countries.

To begin with, in the Asian continent, China is without a doubt recognized as the perfect illustration on how Competition Laws has taken an important dimension. Indeed, it needs to be recalled that by 'nature', China has long been recognized as one of the popular supporters of a closed system with a communist regime. However, with the worldwide wind of change towards more opened economies, China started its economic liberalization in 1978. From there on and with the establishment of what is known as the 'socialist market system', measures have been taken to better open China to the world. China is recognized as one of the main Asian Countries having a comprehensive Competition Law with its Anti-Monopoly Law which was adopted following the 29th meeting of the Standing Committee of the 10th National People"s Congress of the People's Republic of China in August 2007 and came into effect in 2008 (Slaughter and May, 2014). The Act which caters for monopolistic conduct can be divided into three main headings: abuse of dominant position in line with Section 2 of the US Sherman Act and the EC Treaty Ex Article 82, anticompetitive agreements in line with Section 1 of the US Sherman Act and the EC Treaty Ex Article 81, and merger control. This Act has its origin since 1980, period which marked the opening up of China and was finalized after ten years of drafting since 1998 and several working sessions.
India is another notable country to have a well established Competition Law in Asia. The history of Competition in India dates back to 1969 with the introduction of the Restrictive Trade Practices Act as a response to growing evidence of dominant power in Indian industry especially by family-controlled business groups (Bhattacharjea, 2008). But since the 1990s, with the privatization, globalization and liberalization era, this law turned out to be obsolete and the Government of India responded with the introduction a Competition Act in 2002 (Bhattacharjea, 2010). In 2009, after long trouble and struggle, India repealed its 40 year old Monopolies and Restrictive Trade Practices Act, and brought into force most sections of the Competition Act 2002 (Bhattacharjea, 2008; Bhattacharjea, 2010).

In Latin America, many big countries like Argentina, Brazil, Colombia, Venezuela, and Chili, for instance, have also enacted Competition Laws (Alvarez and Horna, 2008). However, as Alvarez and Horna (2008) suggested, the origin and the reasons behind the implementation of such laws vary from country to country depending on political, legal, economic and market oriented philosophies. Not only do their origins diverge, but variations also exist in terms of the goals of the respective Competition Laws of these countries. The table below gives an illustration of the laws of some Latin American countries and their objectives:

History and Goals of Competition Law in Latin American Countries

	History of Law	Objectives
Argentina	Introduced in 1919, and amended in 1946 and 1980. Current law enacted in 1999, and amended in 2001)	Prohibit and sanction any behavior that limits, restricts, or distorts competition or access to the market, or that constitutes abuse of market position, in a way that could adversely affect the general economic interest.
Brazil	Introduced in 1962, and amended in 1990. The Law was revised in 1994, and amended in 2000.	Prevent and prosecute infractions against the economic order as a means of promoting free enterprise, free competition, the social role of property, consumer protection, and restraint of abuses of economic power.
Colombia	Introduced in 1959, and supplemented in 1992	Ensure compliance with provisions on the promotion of competition and restrictive trade practices in domestic markets in order to improve efficiency of the markets, ensure that consumers have free choice and access to markets of goods and services, ensure that enterprises participate freely in the market, and ensure that there is a variety of prices and qualities of goods and services in the market.
Chile	Introduced in 1959, and amended in 1973. New Law implemented in 1979, and then revised and reorganized as recently as 2005.	Promote and defend free competition in the markets.
Venezuela	Introduced in 1992	Promote and protect the exercise of free competition and the efficiency that benefits the producers and consumers; and prohibit monopolistic and oligarchic practices and other means that could impede, restrict, falsify, or limit economic freedom

Source: Extract from Alvarez and Horna (2008)

With respect to African countries, Smith-Hillman (2007) suggested that many African economies lack very much credible competition policies to enhance an environment for good business competitive practices and improved consumer welfare. Not only do they lack these policies but they also, according to him, lack record of any infringements and if any was to be found, no fines were imposed; thus suggesting that enforcement has also been poor in many African countries. In fact, very little evidence or information of the implementation of Competition Laws in African countries can be traced in the literature. Research in the African region has indeed been rare. One of the first African countries to have introduced a comprehensive modern Competition Law is Kenya. Though Competition legislations in this country existed since 1956 with the Price Control Act, it was only after the 1980s with the reorientation of the economy towards a more free market system that the Government found the need to introduce the Restrictive Trade Practices, Monopolies and Price Control Act in 1989 with the objective to encourage competition in the economy by prohibiting restrictive trade practices, controlling monopolies, concentrations of economic power and prices for

connected purposes (Njehu, 2010). Also, South Africa can be considered as another country to be an exception to the rule. In fact, the development of Competition Laws in this country had been more thorough since the post 1994 period which marked the end of the Apartheid system and its transition to majority rule system.

Although the country already had existing Competition Laws before 1994, the new regime promised to replace an old system of anarchy, autarky, and government protection and high concentration with a new one which favoured empowerment and democracy (Wise, 2003). The South Africa Competition Act 1998 is especially characterized with the goal of promoting competition and restrains trade practices which undermine a competitive economy. The Act, which has been subject to minor amendments in 2000 and 2001, is supplemented by particular sets of goals such as consumer welfare; competitive prices and choice for consumers (Wise, 2003).

Few other African countries can also be cited as having implemented successful Competition Laws. For instance, Ethiopia has had a policy geared towards competition since 1991 when the socialist regime which was in place since 1974 was henceforth replaced (Hailegabriel, 2009). However, it was only after one decade that this country introduced its first Competition Law especially in 2003. The implementation of an Ethiopian Competition Law had as main goal to develop the already existing free market framework and was seen as a requirement for the maintenance of a liberalized economic system (Hailegabriel, 2009).

Last but not least, Mauritius is also well reputed as one the countries in the African region to have implemented a Competition Law at national level. However, the history of Competition Law in Mauritius dates back as recently as 2007 when the Competition Act was enacted. With a view to meet challenges of the globalised world to further enhance the competiveness of firms, policy makers thus took the decision to come up with a regulatory and institutional framework that will protect both competitors and consumers which will meet both economic and social objectives.

This Act in fact enabled the creation of a Competition Commission in 2009, a public body that would enjoy independent powers to tackle situations of anticompetitive behavior and promote consumer interests (Competition Commission, 2013). Anticompetitive behaviours in the law include abuse of monopoly situation, collusive agreements, anti-competitive agreements, and bid-rigging (Mauritius Chamber of Commerce and Industry, 2013).

Some observers have however argued that development and implementation of Competition Laws in developing countries have often conflicted with industrialization since it favours a policy of openness and hence supports highly competitive foreign firms at the detriment of local ones (Maskus and Lahouel, 2000). In this context, while Maskus and Lahouel (2000) reckon that the changing business environment needs structural changes, they do however disagree to the fact that Competition Laws will improve the situations of local firms.

Conclusion

Competition Laws have and are being introduced in both developed and developing countries. The main reasons for its enactment and implementation in many developed and developing countries are different. Whilst, in some developed countries Competition Laws have been introduced simply to meet the requirements of the competitive business environment, in others, a shift in political ideology towards greater economic integration, trade liberalization, and economic reconstruction especially after World War Two, have also greatly contributed for their enactment. On the other hand, the introduction of Competition Laws in developing countries across different continents had gathered more pace since the 1980s especially with the development of the global society, intense international and national competitive business environment, and further economic liberalisation.

It needs to be highlighted however that although the reasons behind the enactment of Competition Laws in developed and developing countries may be contextual depending upon the time of their implementation, and economic and political ideology, it can be ascertained that the main goal for their implementation in both developed and developing countries do converge. Indeed, Competition Laws have and are considered in both developed and developing countries as functional pre-requisites for a fair, stable, efficient, and effective competitive business environment which will not only reduce anti-competitive practices but also help individual firms operate for the best interests of consumers.

The above discussion, though not exhaustive in itself, presents a picture of the historical development of major Competition Laws in developed and developing countries around the world. It goes without saying that modern Competition Laws which originated some two centuries ago have taken considerable dimensions be it in developed or developing countries. The pace at which the world is moving towards increasing democracy and freedom has meant that Governments around the world need to be proactive rather than reactive and thus support their environment with appropriate regulatory framework. The above account showed that in order to meet the challenge of competitiveness, countries around the world have brought major changes in their economic and legal spheres during the past decades or so. Since law in itself remains dynamic, the history of Competition Laws will never come an end in itself and will enhance itself as a ‘buzz’ concept in the coming years and decades.

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