

Here's fine. So, algorithm and conclusion. How can CCI enforce traditional cartel laws against a timeless AI? Uh, so see, I mean, you have to take a step back. It's not as simple as it sounds. So, the biggest hurdle I anticipate, uh, that a regulator and interest regulator faces when it comes to algorithmic collusion is the question of identifying autonomy. Or, you know, putting the onus on A enterprises too, whether you actively participated in a cartel amount. The whole point of a cutter is that there has to be, at a very fundamental level, a meeting of minds. For instance, you and I come together and decide that we fix prices for our homogeneous products at, let's say, X, right? But the problem with algorithmic collusion is that there is no such meeting of mind. It can happen at multiple levels. For instance, a very, you know, very good example is the Airline sector. Now, a few years ago, the CCI was faced with an allegation that airlines were coming together and fixing prices, right? The tanks. Now, and we were representing one of the airlines. What we found out was that airlines do use common software. There's a software which will determine how the seats need to be sold. Then there's a software which will, you know, basically mine data, which is available online, you know, juxtapose that data, that publicly available data with the airline's own internal estimates. and then come up with real time prices, real time phase, right? Now the problem is that it's an oligopolistic market, which is that it only has like a handful of players, right? As opposed to a fragmented market, which will let's say have multiple years. And one of the issues or one of the key characteristics of an oligopolistic market is that there is substantial transparency in the market. So let's say an indigo will know that a spice debt will, you know, price a flight on a particular sector at X. It's very dynamically available and you know, you can just look for those fares online. So naturally, people are concerned that there is some level of cartelization happening. But when we investigated further, we found that there's no cartelization as such. It is just that the software is in question are using the same database, publicly available databases for each of the company to determine the prices. And in such a scenario, had it only been, although I personally don't believe it, but you might find that regulators say that if you're using a common software and you're aware that the software is going to give you the same output across the industry, then that could be an instance of cartelization because there is some level of intent. You were using the same software, you knew what the software is going to do, and you knew what the output of the software is going to be, right? But what we found out from the airlines is that, let's say, 80% is what the software is telling them in terms of fixing prices, 20% is actually their own internal intelligence. There is some human element involved. And on that basis, we argued that ultimately it is a human being who's deciding or determining the family price at which a ticket will be sold. And if there is no meeting of minds between these individuals, these humans were finally deciding, or you know, have a save on the pricing, there can't be a cartel because like we started with, the fundamental for a cartel allegation to establish, to be established, is that there has to be a meeting of mind between the participants. So where I see the biggest problem for the CCI is that How will you determine A if it's a software which is fixing pricing? B, is it a software which is independently fixing pricing, fixing prices, or is it or is there a human element involved? And see, assume there is no human element in world. It is just the software. Who will you pin the blame on? Will it be the airlines who are using that software? Or will it be the software company which is actually putting places software which will, you know, give similar results across the industry? So I think that is where CCA really needs to figure out or, you know, any regulator for that matter, needs to figure out how will you build ownership on any of the participants that you're trying to investigate? So

it's. Either the airline's called for putting in that software or the software company. Exactly. Because it's at the end of the day, it's an allegation. You need to pin it on somebody to say that, oh, you violated this law, right? How will you say that? The airline can simply say that, well, I didn't do anything. It was I was using a software. But wouldn't the airline customize this software for it to be, you're right. Which is which is what I said, that, you know, there is 80% of the job is done by the software. 20% is basically airlines internally intelligence. Right? Based on your own historical, what do you call it data? So let's say if it's Diwani, an Indigo estimates that don't put in the airline names, right? Yeah. But let's say if you estimates that during Diwali, the sector between Delhi and Lucknow will see the most amount of traffic. Right? So they will naturally increase prices on that one particular route. Okay. Right? So that is internal, what do you call it, intelligence, which is coming into play. But can you, solely based on the fact that airlines are using a common software, impute intent to the airlines to say that, yes, they wanted to catalyze, I would think. Right? I mean, why would you? Right. Yeah, I think that's awesome. The answer is the question.