Why do we believe in (sociology of) competition?

“Why do we believe in competition”? Here is a question that competition lawyers are not used to raise. After all, competition laws are now enacted in more than one hundred countries. Competition policies have been recommended and fostered by a number of accredited international institutions. “Free competition” became one of the constitutional principles of Brazilian economic order and a collective legal interest to be protected from abusive behavior. It is more than understandable that practitioners and policy-makers chose to concentrate their efforts in the already demanding challenges of antitrust enforcement and technical precision.

Yet, this is precisely the kind of question that the text suggested for the next meeting\(^1\) tries to address: Why do many of us think of competition as a beneficial societal institution? What kind of competition is at the heart of this belief? The text will offer a non-dogmatic historical explanation for such a widespread faith: a particular type of competition has become an “institutionalized modern imaginary”, that is, a “taken-for-granted part of our modern world-view”. And, perhaps unexpectedly for antitrust specialists, it shows that sociologists have also actively participated in this process.

We would like to emphasize one of such sociological contributions in this limited space: the one from Georg Simmel. The professor of Philosophy born in Berlin in 1858 viewed sociology as both the study of social interaction (relational sociology) and of the forms of socialization (formal sociology). Competition would appear, in Simmel’s works, as a triadic constellation that comprises the struggle of two parties for the favors from a third. Not the roughly direct dispute for a piece of land, thus, but the objectively indirect struggle for a favor of a third party is what best characterizes competition.

In economy, such third party is usually identified as the one to whom competitive companies are willing to provide their products or services. Instead of the beloved

woman disputed by at least two suitors, we have here the anonymous figure of the consumer – this “mysterious stranger” that owns the merchant’s money in Kafka’s story. However, it is the latter relation that Simmel compares to love, as the orientation by the third party sensitizes the competitors to the needs and interests of their audience, “even before it becomes aware of them”.2

Since the 1980s, one can observe a revived interest in competition as a sociological phenomenon. The so-called New Economic Sociology, the sociological neo-institutionalism and Pierre Bourdieu’s field theory are partially expressions of that renewed curiosity. In the last few years, some publications and events decided to focus on the subject.3 The text that NECSO’s members will discuss is part of such context and is one of the most recent contributions from German sociology to the topic.4

Nevertheless, it is still much less a point of arrival than a starting point. Antitrust researchers are invited to survey the variety of competitive social phenomenon and to develop a more nuanced perception of its emergence in a particular empirical context. Such approach is able to benefit both sociology of competition and the understanding of competition law. And, above all, it will stimulate every researcher who – despite of all difficulties – choses to explore a new frontier of knowledge.

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3 To mention only a couple of examples, the 15th edition of the “Distinktion: Journal of Social Theory” on “Sociology of Competition” (2015), the Nucleus of Studies in Competition and Society NECSO – USP (2016), and the Sub-theme of 33rd Colloquium of the European Group for Organizational Studies, “The Organizational Origins and Consequences of Competition” (2017).