

**OPENING ADDRESS TO ANKARA CONFERENCE**

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Some years back – probably by now as long as 6 years ago – I had the privilege of acting as an examiner at the OECD peer review of the Turkish competition authority. I don't use privilege lightly either, nor as simply a necessary courtesy in referring to one's gracious host. It was a privileged experience because it obliged me to familiarise myself, at greater depth than I may have otherwise done, with what I would unhesitatingly describe as one of the most interesting and most competent and most intellectually challenging competition authorities in the world. What leaped out of the pages of that OECD review and was confirmed by subsequent interactions with many of the officials of the agency, is that here was a competition authority that was not only capable of engaging at the cutting edge of the very complex disciplines of competition law and industrial organisation economics, but, as important, was able to translate its understanding of these issues, it was able to apply its learning, to the particular and equally complex context of its own country's particular needs and circumstances.

We all know that the world and the countries that make it up are challenged to find an answer to the economic crisis into which the world has been thrown. My country and Turkey will be contributing to this in the upcoming G20 meeting in London. I have little doubt that part of the ultimate solution will involve a transformed role for the state. It is unlikely to reintroduce the large states of the post-Second World War era. But it will turn its back on the weakened, emaciated state structures that have served us so little in overcoming the present crisis, that, in fact, bear a large measure of responsibility for the crisis. What we will need is a slim but smart and effective state and in seeking examples of smart and effective competition agencies – which will, I have no doubt, play a significant role in charting our way out of our present problems – one need look little further than the Turkish competition authority.

So when I say that I am honoured and privileged to be participating in this conference you will know that I really do mean it.

But I am here wearing the hat of the International Competition Network and I would like to briefly say something about that and Turkey's role in it. I will have more to say about the ICN in my contribution later on in the conference. For the moment let me simply say to those who may know little of the ICN, that, as its name suggests, it is an international network of competition agencies, the objective of which is to promote greater dialogue and understanding between the world's competition authorities and hopefully greater convergence and co-operation in the manner in which we approach competition issues. It is only in its 8<sup>th</sup> year of existence but already its membership includes the vast majority of competition authorities in the world from Australia to Zambia. Its work products serve as invaluable guides and reference points for

national competition authorities ranging from the oldest and most experienced authorities from the developed economies to the newest and least well resourced from the poorest countries.

The ICN is a very contemporary sort of institution.

Firstly, it does not have large headquarters in Washington or Geneva and it does not rely on a multi-million dollar budget. It conducts its business almost entirely on the telephone and the internet and will increasingly make use of cutting edge communications technology in the conduct of its business. Its workload rests on the voluntary contribution of the hard working and dedicated officials of its member agencies. The Turkish competition authority has played an outstanding and leading role in this. It has led a sub-group of one of the key working groups and actively participated in other working groups. I am pleased to say that next year the Annual Conference of the ICN, one of the few occasions on which the network actually meets in the flesh, will be hosted by our Turkish colleagues in Istanbul.

Secondly, the ICN is not a body that makes decisions that are binding upon its members. Rather it seeks through working together and by persuasion to reconcile the diverse approaches of its members and from this to distil best practices that will then be adopted voluntarily by its members. Some may see this as a weakness. I don't. In my view much better to spend 10 years working together developing mutual respect and slowly achieving understandings that persuade than to spend the same amount of time trying to negotiate binding agreements that get nowhere. Precisely because we are not a treaty making organisation, we do not have to seek elaborate mandates, we do not have to speak in guarded, diplomatic language, we may even question some of our own national approaches and learn from our fellow professionals from other countries. We are not the first body to do this, but nor will we be the last. I would be as bold as to suggest that networks of the ICN variety will become increasingly common forms of international governance that are based not on the power to impose but on the persuasiveness engendered by the mutual respect that inevitably arises from working together on solving practical and mutual problems.

Thirdly – and following on this theme – the ICN was formed precisely because it recognised interdependence amongst all the nations of the world. We recognised that the greatest and best established competition authorities in the world were constrained by the fact that their reach was national but that markets were global; that very large mergers could be thwarted, for good or bad reason, by very small countries; and that dangerous cartels could seek refuge in countries that did not have competition laws or could not effectively enforce them. We recognised that the newer agencies were constrained by a lack of resources, experience and support. However, the chain of national markets that made up the global economy was as strong as the ability of its weakest national link to protect and defend markets that were increasingly international.

And so the ICN was born out of recognition of our mutual interdependence. But we have in our practice recognised that mutual resolutions of problems require more than mere common membership of the same organisation. It has become increasingly common to recognise that we will only solve the massive economic and social problems that we confront through international

co-operation. It is also recognised that the skewed governance structures of key multilateral organisation do not promote co-operative problem solving. It is recognised that solutions cannot be imposed on the world by exclusive structures. It is no accident that it is the more inclusive G20 rather than the exclusive G8 that is called upon to address our problems.

This has long been recognised in the ICN which though far from perfect is in fact an exceptionally inclusive institution. But this did not come about by accident. Nor was it entirely based on the goodwill or generosity of the most developed countries represented in the ICN. It came about because certain of the middle income countries and several of the least developed countries, imposed themselves on the ICN. We imposed ourselves not by threats of non-co-operation or withdrawal – for so long the only way of gaining attention - but rather by demonstrating a capacity for hard work and smart work that was recognised as a major contributor to the progress of the organisation and the realisation of its aims. We demonstrated that competition law and policy was not the exclusive preserve of the most highly developed country. In fact that, if anything, countries with a long history of distorted and poorly developed markets needed an active competition policy and law regime even more urgently than the developed country. This was not the doing of any one country. There were several member agencies whose contribution stands out and who are thereby responsible for the creation of an inclusive, participative international network and none more so than Turkey.

So once again thank you for inviting me to participate in this timely event. I look forward to the sort of stimulating, high level engagement that has long characterised my interaction with my Turkish colleagues.