



The United States and the Future Development of Global Competition Policy

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Georgetown Global Antitrust Enforcement Symposium

Washington, D.C.

September 23, 2008



Multiplicity and Its Challenges

- Multiplicity in the Past 50 Years: From a Few Laws in 1958 to >105 Today
- Three Recurring Issues
 - Where will we find superior norms?
 - How will we promote their acceptance?
 - What is the US role in all of this?



Overview

- Competition System Design: Concepts
- Convergence: Normative Propositions
- Model: Decentralization & Convergence
- Suggestions for Next Steps
- Caveat: Personal Views



Competition System Design

- Two Elements: Operating System of Institutions and Policy Applications
- Dominant Operating System: EU-Based
 - Public enforcement by administrative body
 - *But see* private rights/criminal enforcement
- Applications
 - Analysis (e.g., mergers) and management



Who Produces Applications?

- Multiple High Quality Sources
 - Analysis
 - E.g., EU (vertical mergers), US (leniency)
 - Management
 - Strategy: UK OFT and Canada
 - Adjudication: South Africa
 - Case organization: Netherlands



What Is a “Good” Application?

- General Criteria
 - Theory plus practice: e.g., Notification
- Concepts that:
 - Expand enforcement
 - Contract enforcement
 - Increase interoperability
 - Improve quality of public administration



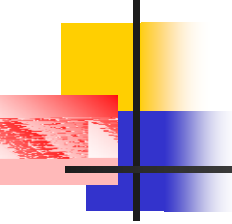
Implications

- Ease of Entry Into Writing Many Applications
- Diversified Sources of Global Influence
- Importance of Processes for Achieving Convergence on Superior Norms
- Growing Significance of R&D and Institutional Innovation



Three Normative Propositions About Convergence

- Some Differences: Unavoidable, Useful
 - Experiment, assessment, adjustment
- Muris (2002): 3-Stage Convergence
 - Experiment, identify better methods, opt-in
 - Example: amnesty/leniency
- Trans-Atlantic Dialogue: Interoperability
 - Contacts among top agency officials, case handlers, and NGOs (e.g., academics)



FTC Program: Today and Tomorrow

- Greater Investments in Ideas
- More Effort in Devising Cross-Border Networks
- More Reflection on Own Experience
- More Outlays for Technical Assistance
- More Benchmarking with Other Systems



Investments in Ideas

- Systematic R&D Budget
- Concepts and Applied Work
- Role of Convenor
- Illustrations
 - FTC, To Promote Innovation (2003)
 - FTC and DOJ, Health Care (2004)
 - FTC, Behavioral Economics Workshop ('07)
 - FTC, IO Conference (Fall 2008)



Ideas: Collaboration with Research Institutions

- Major North America Advantage
- Networks with Academic Centers and Think Tanks
- Illustration: Northwestern (Fall 2008)



Cross-Border Networks

- ICN, OECD, NAFTA, Bilaterals
- Deeper Knowledge of Systems
- Concepts and Operations
- Joint Case Development and Research
- Evaluation
- Focusing on How Institutional Design Affects Doctrine (e.g., DG Comp CET)



More Reflection on Own Experience

- Institutional Design: Periodic Reviews
- More Investment in Ex Post Evaluation
- Enhancement/Disclosure of Data Bases
- Assessment/Growth of Human Capital



More Outlays for Technical Assistance

- Appropriations
- SAFEWEB
 - Staff exchanges
- Resident Advisors
- Regional Collaboration
- Publication of Teaching Materials

Benchmarking Other Systems:

The FTC at 100

- Aim: A Longer Term Perspective
- Major Focal Points
 - What is “good” agency performance?
 - How do we evaluate effects of activities?
 - How to improve cooperation with other institutions (public agencies and NGOs)?
 - How to achieve intellectual leadership?
- Extensive Consultations Abroad



Concluding Thoughts

- Influence by Persuasion
- Persuasion by Ideas and Experience
- Long-Term Capital Outlays
- The Mostly Friendly Rivalry