

Remarks at the

## **Panel on Competition Policy at the Service of Development**

The International Economic Forum of the Americas  
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Maureen O'Neil  
President, International Development Research Centre (IDRC)

Bonjour. Je suis Maureen O'Neil, présidente du Centre de recherches pour le développement international. Je suis très heureuse d'assister à cet important forum économique.

Je constate avec intérêt que le thème de la conférence de cette année est « réussir dans un monde incertain ». Ce thème concorde parfaitement avec notre sujet de ce matin : la politique de la concurrence dans les pays en développement. Et il est même doublement pertinent : la politique de la concurrence est censée justement faire naître l'incertitude (chez les entreprises) et ainsi produire d'importants avantages sociaux et économiques. Mais elle a aussi quelque chose à voir avec l'idée que les cadres réglementaires peuvent aider les pays à réussir dans un marché mondial incertain.

Nous le savons bien, la concurrence entre les entreprises est l'un des moteurs de l'économie de marché. Le fait que les entreprises se disputent les faveurs de la clientèle stimule l'innovation, l'efficacité et la productivité. En présence d'une saine concurrence, l'innovation naît, l'économie progresse, et les consommateurs y trouvent leur compte grâce à des produits de meilleure qualité et moins coûteux.

But left to its own devices, competition can go off track. Firms of all sizes and complexions like competition for *others*, but not for themselves – because of the uncertainty that it brings to their business. They strive to go beyond it, and many succeed, overcoming their rivals and developing power over the market as a result. When this happens, there are enormous negative consequences, especially in transition and developing economies struggling to cope with globalization and trade liberalization. Think of cartels, monopolies, and collusion. Think of predatory pricing and carve-ups of regional markets by multinationals. What about unethical governments who are cozy with certain business interests and willing to shield them from competition? What can you do when giant supermarket chains kill off all the “mom and pop” stores? Or when taxi drivers get together to fix their prices in the local market? How can we ensure “true” and “fair” competition?

Well, something *can* be done. For once, a tried and tested policy instrument lies at hand, although it is not easy to apply. The answer lies in developing a policy framework on competition; in formulating rules that are impartial and rational, and creating the necessary institutions (whether domestic, regional, or international) to prevent foreign or domestic firms from engaging in anti-competitive behaviour. IDRC is pleased to have supported research that is helping developing countries set new competition authorities on a good footing and overhaul weak competition regimes, and boosting cooperation amongst them in competition matters.

Of course, one size does not fit all. So today we will consider the challenges of legislating and implementing competition policy in different circumstances and look at how developing countries can tailor competition law to meet the needs of their particular economy.

Donnons maintenant la parole à notre impressionnante brochette de conférenciers. Je crois que les exposés seront en grande partie en anglais, mais on a prévu un service d'interprétation. Chaque conférencier aura 15 minutes, afin qu'il reste suffisamment de temps pour une bonne discussion par la suite.

First up is **Taimoon Stewart**. Taimoon is Senior Advisor on Trade and Competition Issues to the Business Development Office of the University of the West Indies in Trinidad and Tobago. She has also been Vice-President of the Negotiating Group on Competition Policy in the Free Trade Area of the Americas. And she is one of the authors of a new IDRC book called "Competition Law in Action: Experiences from Developing Countries".

*(Ms. Stewart speaks)*

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*\* Thank Taimoon Stewart \**

Our second speaker is **Phil Evans**. **Phil** is head of Consumer Policy for the Finsbury International Policy and Regulatory Advisers based in Belgium. FIPRA specializes in advice on political and regulatory issues. He is also a former advisor with Consumers International where he saw competition as a core consumer issue.

*(Mr. Evans speaks)*

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*\* Thank Phil Evans \**

Now we have **Robert Rennhack**. Rob is the Assistant Director of the Western Hemisphere Department with the International Monetary Fund in New York. He has written extensively about the economy and trade in Latin America.

*(Mr. Rennhack speaks)*

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*\* Thank Robert Rennhack \**

Enfin, **Sheridan Scott**, qui dirige le Bureau de la concurrence. Avant d'être commissaire de la concurrence du Canada, elle a été chef des Affaires réglementaires à Bell Canada,

vice-présidente adjointe à la Société Radio-Canada et conseillère juridique principale  
auprès du Conseil de la radiodiffusion et des télécommunications canadiennes  
(*Ms. Scott speaks*)

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*\* Thank Sheridan Scott \**

The floor is now open for questions. Please come up to the microphones to ask your questions. We are recording this session and plan to make the podcast available on the IDRC website to allow those who could not attend the opportunity to hear the presentations and your questions. Please introduce yourselves and feel free to ask the question in French or English.