

The EU's Sir Leon Brittan has proposed the development of minimum competition rules enforced by domestic authorities. Brittan has also pushed for intensified efforts to establish international competition rules within the OECD.<sup>199</sup> Several countries, including Canada, support exploring internationally the possible scope and shape of rules on competition policy, with the focus on the WTO as a proper forum. From a Canadian perspective and in addition to the work underway in the NAFTA, the author believes that the WTO is a logical place for the development of an international competition policy due to its consensual decision-making process and effective dispute settlement system.

## 5.5 Conclusions and Policy Implications

Governments are having difficulties making informed regulatory decisions on technologies whose impact may not be understood until well into the future. Increasingly, they will need to advise companies what they can do to take advantage of trade liberalization and technological change, rather than regulate to tell them what they cannot do. As recent Canadian and U.S. competition legislation suggests, business must be in a position to make decisions on the basis of an accurate understanding of the rules.

Are trade policy authorities placing too much hope on competition policy? Sylvia Ostry has argued that national differences cannot and probably should not be harmonized as an act of policy "for its own sake". Instead, differences should converge over time due to competition among producers through trade and cross-border investment. I tend to agree with Ostry: the main goal is to rectify only those differences that impede international trade and investment. Increasingly, it is perhaps more important to ask: what kind of market best provides innovation?

In the absence of political will to relinquish trade remedies and address some of the other technology-related barriers to trade outlined in this section, the scope for harmonized competition policy remains elusive. The only places where this has been successful are regions where deeper economic integration has occurred (i.e., the EU and Australia/New Zealand) than that which is envisioned between Canada and the United States. In light of the findings of previous sections, it would perhaps be more productive to continue to push for further liberalisation of market access, particularly policies related to subsidies, foreign direct investment and intellectual property and,

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<sup>199</sup> An independent "International Anti-Trust Code Working Group" released a controversial draft anti-trust codes in July 1993. Designed to be a GATT Agreement, the Anti-Trust Code was developed in an attempt to bring coherence to the process of convergence that is already taking place.