

Under the Bush administration, for example, the United States expressed considerable concern over the supposed exclusionary effects of vertical restrictions and alleged buyer cartels in Japan. These arrangements are thought to be responsible, in part, for limiting the access of U.S. firms to the Japanese market. Under the Structural Impediments Initiative, therefore, the United States sought stronger domestic enforcement of Japanese competition laws. The EC, for its part, has expressed concern over vertical supplier arrangements in Canada's telecommunications industry, citing Bell Canada's arrangements with Northern Telecom. Competition policy, therefore, has also been swept into the so-called new trade agenda which focuses on concepts such as effective market access and revealed protection.

Sylvia Ostry, for her part, has argued that differences in domestic competition policies might contribute to what she called "system friction". Dr. Ostry has suggested that the best, though perhaps limited, avenue for reducing or ameliorating system friction would be through harmonization of the relevant government policies. Subsequently, OECD ministers recommended in 1991 that it should be determined whether policy harmonization in selected areas, including competition policy, was desirable and feasible. The objective of such analysis would be to propose new international "rules of the game". In this regard, the Canadian Bureau of Competition Policy is chairing a special OECD Convergence steering group under the Competition Law and Policy Committee, which is to report to the OECD Ministerial Council in June 1994 on the need and potential for greater convergence, coherence and cooperation among members' competition laws, enforcement practices, and competition agencies.

While work proceeds multilaterally, greater progress on the establishment of rights, obligations, and disciplines has been achieved at the regional and bilateral levels. The NAFTA, for example, contains a Chapter 15 on competition policy, monopolies, and state enterprises. The Agreement requires each Party to maintain measures to proscribe anti-competitive business conduct and to consult with each other on the effectiveness of these measures. Without specifying how, the Agreement also requires each Party to cooperate on issues of competition law enforcement policy, including mutual legal assistance, notification, consultation and exchange of information relating to the enforcement of competition laws and policies in the free trade area. Although the NAFTA's dispute settlement mechanism does not apply to this commitment, the Agreement provides for the establishment of a Working Group on Trade and Competition to make recommendations "on relevant issues concerning the relationship between competition policies and trade in the free trade area".