

Introduction to *The Design of Competition Policy Institutions for the 21st Century—The Experience of the European Commission and DG Competition*

In 2008, when he wrote this article, Philip Lowe was the Director-General of the Directorate-General for Competition at the European Commission, a position he held from 2002 to 2010. Lowe had joined the European Commission in 1973 and, before heading DG Comp, had served in senior posts as Head of Cabinet and Director in numerous fields, including regional development, agriculture, transport, and administration. He is currently Director-General of the Energy DG as well as a Non-Executive Director of the Competition and the U.K. Markets Authority Board.

The timing of this article—it was published in DG Comp’s *Competition Policy Newsletter* March 2008—makes it a particularly interesting historical document. It predates the acceleration of the global economic crisis that occurred later that year. The Treaty of Rome had not yet been supplanted by the Treaty of Lisbon. But most importantly, global competition policy had grown explosively in the previous years, with the number of global competition authorities passing the 100 mark by 2004, and countries representing more than 85 percent of the world’s population implementing some form of competition rules.

The primary driver for this growth occurred as country after country started relying more on markets, rather than central planning and government enterprise, to spur economic growth. In addition, for some countries looking for economic support, the IMF and World Bank required those countries to adopt competition laws and establish competition authorities. As a result of this growth—whatever its source—international expertise in competition law and principles became almost mandatory for both private and public players. With cross-border economic interests and investments becoming more prevalent, corporate attorneys struggled to learn the new rules, while members of competition authorities needed to learn how to work with their counterparts.

To help manage the sheer number of new competition regimes, a strong drive developed to establish best practices and ways to encourage common global approaches. This movement was evidenced by work done (and continuing to be done) at such organizations as the International Competition Network and the Organization for Economic Cooperation and Development, as well as at numerous conferences and in commonly read publications.

Philip Lowe’s 2008 article represents part of that trend towards achieving commonality. Speaking as the head of one of the most respected authorities in the world, Lowe takes an instructor’s role and asks a vital question: “What should a modern competition authority try to achieve?” And despite the upheaval caused by subsequent events, including the anti-market furor raised by the 2008 global economic collapse, his answers to that question remain strongly applicable to the competition world of today.

Indeed, presenting strong evidence for the paper’s continuing relevance is this final principle for designing a well-functioning authority that Lowe restates in his conclusion:

In order to fulfil their role effectively these institutions must constantly assess and re-assess their mission, objectives, structures, processes and performance. It is only through realising and adapting to changes in their environment and through carrying out the corresponding improvements that their competences, powers, budget and ultimately existence can be justified before a wider public.

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