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Expert Group Meeting on Competition Laws and Policies:  
Identification of Common Ground in ESCWA Member Countries  
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## **Promoting Competition Policies: Toward Public Oriented Communication Strategies**

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1. This paper is meant to serve as a discussion paper on the need for communication strategies to sensitise citizens for a pro-active acceptance of competition policies.

It also aims at taking the current debate at this EGM from necessary technical considerations to a broader approach, which would imply also issues of communication, social behaviour, and values.

As a non-economist, I will try to voice a sort of common sense or rather of the economic illiterate average citizen. Nevertheless, as representative of a non-profit organisation – the German Friedrich-Naumann-Foundation, which is part of the international family of liberals, I am concerned with the question of how to promote competition as a positive value and how to make society benefit from competition in its larger sense.

2. In many cases, new policies introducing economic reforms have been enforced on social systems without really taking into consideration the perception of citizens – producers as well as consumers - who, at the end of the day, will undergo the impact of such measures.

In political terms: the introduction of economic re-orientation involves the question which social actors would be spearheading the reform or at least be supportive of these changes; and which social actors would be expected to oppose the reform. Consequently, one would have to start convincing the different social actors according to their positions. And it goes without saying, that all this would have to be preceded by a thorough consultation process, involving all these actors.

It is probable that many cases of failure of economic adjustment programmes, often implemented with foreign expertise and funds, maybe even by pressure, might be explained by the fact that the above-mentioned simple ideas were completely ignored.

3. There is no sustainable socio-economic change if there is no social support for such measures. In other words, implementation of a competition laws requires ultimately ownership by the stakeholders, which can only be obtained through early and continuous involvement especially of the private

sector, but also civil society organisations like consumer protection societies etc.

Beyond an appropriate legal framework, liberalisation in the economy requests active participation of citizens, at least minimal forms of democratic procedures, transparency, free access to information, opportunities for all.

Hence, debates on the introduction of competition laws should also include the social, and I would go as far as saying: philosophical background of competition as a human attitude.

Especially on the background of our world going global, it is indispensable to develop communication strategies aiming at explaining proposed competition laws and relating them to social attitudes in a general sense.

4. Competition is not about anti-trust measures alone. It is also about social behaviour, which includes interpersonal contacts, attitudes at work and in schools and universities, basically targeting the individual citizen or the citizen as individual.

In general terms, “competition” is largely perceived as being opposed to “solidarity”: on the one hand, competition as an individualistic attitude versus social cohesion, whereby the first notion would smell of the law of the jungle, hence a negative value; and the second would represent the positive value per se of social cohesion.

The growing and somewhat fashionable opposition against globalisation is to a certain extent playing with this dichotomy against the multinationals and rich industrialised nations who would compete the hell out of the weak...

Without any doubt, the promotion of competition as a basic social value would have to refer to the concept of entrepreneurship (Schumpeter and others), which would include elements like: Initiative, creativity, risk taking, acceptance of uncertainty, problem solving (instead of avoiding them), identification of opportunities, respect for work, etc.

5. As reasons for refusal of competition laws, one could see basically the following paradigms according to different social and political actors:

- Members of parliament and political bodies:

Lack of understanding of the highly complex legal procedures involved;  
Diffuse concepts of national or social solidarity and equal distribution of national wealth

Corporate interests

- Private sector organisations:  
Worries about not being competitive vis-à-vis foreign competitors;  
Unadmitted monopolistic or oligopolistic practices in the national economy
- Public sector bodies:  
Perception of competition as a danger to current redistribution practices;  
Reluctance regarding increased transparency and more leeway for independent economic actors;  
Worries about limitations to traditional decision-making and own social standing;  
The “national interest” at large
- Trade unions:  
Fear of increased unemployment, especially with regard to penetration of national markets through foreign companies and its impact on the labour-force
- The public opinion at large:  
Fear of seeing the country “sold out” to multinationals;  
Lack of trust in the private sector;  
Perception of a need to safeguard national interests against private investors and, above all, foreign interests

6. Appropriate communication strategies might include the following elements:

- Identify the different relevant social actors and their specific interests/positions:

- o Private sector organisations
- o Public sector bodies with specific traditional interests, e.g. in state run companies

- o Civil society organisations (e.g. consumer protection societies as potential supporters *per definition*, trade unions as potential opponents)
- o “Public opinion”

- Some pre-requisites for communication strategies promoting competition (laws):

- o Realise that introducing a competition law is not a merely technical and legal issue...
- o ... and that a competition (anti-trust) law alone as part of the regulatory framework is not sufficient for promoting competitiveness
- o Involve as far as possible all social actors into the decision process, at least inform and consult them
- o Develop and promote a positive concept of competition
- o Highlight the advantages of a competition law for the consumer
- o Be clear about risks and temporary disadvantages – hiding them might impact the implementation negatively

Elements of conceptualising “competition” as a social attitude; in other words, creating a competitive mindset:

- The good is the enemy of the better – one should not resign and be satisfied with mediocre quality when products/services could be done better; instead, go for even better standards.
- Competition – in a healthy way and an appropriate environment even in school – encourages creativity, continuous improvement, diversification of talents.
- The individual citizen – producer/consumer – assumes more responsibility instead of staying a rather inactive subject of the State, waiting for initiatives from the top and claiming everything from government.
- ...

7. It goes without saying that communication alone will be insufficient in facilitating the acceptance, adoption and implementation of a competition law.

And not only for the sake of credibility should grace-periods be negotiated before the introduction of a competition law with regard to the empowerment of the different actors. Empowerment of the national stakeholders is indispensable and should not only accompany the implementation process, but even precede it. This covers upgrading of capacities of industries, handbooks and training on legal procedures for representatives of the private sector, judges, journalists, etc.