

Engineering the Competition Agency of the Future: Perspectives from the FTC Self Study

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FTC at 100 Self Study: Origins

- Extraordinary Era of Institutional Innovation
 - Development of new systems
 - Reform of existing systems (feedback effect)
 - Own observations
- 31 March 2008
 - Expiry date: About 20 January 2009
 - Best if used by date: 4 November 2008
- What to Do in 10 Months? Academic Model

Policymaking Environment

- Physics Eclipses Engineering
- Incentives for Leaders: “Consume” (Sue) Rather than Invest
- Dynamism Requires Upgrades/Experiments
 - Commercial phenomena
 - State of knowledge (e.g., economics)
 - Political upheaval
 - Result: imperative for institutional improvements

Redefinition of What Constitutes a “Good” Competition Agency?

- Recognizes that Institutions are Conduits through which Policy Content Flows
 - Effectiveness in many ways is a function of good administrative technique
- Emphasizes Capital Investments Whose Benefits Extend Well into the Future
- Commits Itself to Reassessment and Renewal

Overview

- Characteristics of Good Practice
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Conscious Plan to Set Strategy

- Leadership Dilemma: “I Am So Busy That I Have No Time To Think, Much Less to Plan”
- Which Outlays Will Yield the Best Returns
 - For discretionary duties and mandates (reassess?)
- Portfolio Model: Risks and Returns
 - Doctrinal difficulty and resource implications
 - Accumulating and spending political capital
- Match Commitments to Capabilities
 - What cost, how long, who will do it?

From Case Centric Orientation to Problem Solving

- Traditional Focus: Cases and Big Cases
 - Take offs vs. landings
 - Underinvestment in long term capability
- Emerging View: How Best to Solve Problems?
 - Strategies that use mix of enforcement, advocacy, education, guidelines, self regulation, studies
 - Value of flexible portfolio of policy instruments
 - Teaching staff to be attentive to range of solutions

Internal Quality Control

- Independent Assessments by Different Operating Units
- Devil's Advocates and Scrutiny Panels

Investments in Building and Retaining Knowledge

- “Research and

Acquiring/Retaining Human Capital

- Links to Academic Community
- Individual Professional Development
- Information Management
 - Institutional memory
 - Electronic data sets
 - Capital budget: Investments in technology

Communication and Education

- Is an Agency Effective Only When the Media and Commentators Say It Is?
- Education and Marketing
 - Traditional means
 - New media

Evaluation: Programs and Processes

- What Worked and What Did Not
- Increasing Importance of Assessing
 - Program outputs
 - Operations: e.g., measuring speed of activity
- Means
 - Internal assessment
 - Consultation with external experts
 - Peer review

Custom of Periodic Assessment

- Cumulative Nature of Policy Development
- Advantage of Superior Regulatory Design
 - Need for upgrades in statutes, organization?
- Respond to New Learning, Industry Trends
- Maintaining and Disclosing Data Sets on
 - Program activities: e.g., cases
 - Operational effectiveness

Suggested Agency Report Card: What Is Good Administrative Practice?

- Well Specified, Clearly Communicated Goals?
- Careful Attention to Setting Strategy?
- Problem Solving Orientation?
- Internal Quality Control?
- Capital Investments in Knowledge, Networks, and Physical Infrastructure?
- Evaluation, Periodic Assessment, Adaptation?

Future of International Consultation and Networks

- More Attention to Operational Issues
- Foster Norms for Leaders
 - Positive externalities for future agency leaders:
Fred Hilmer's question
 - Self assessment and public discussion
- Capture Know How (e.g., Histories)
- The Competition Worth Having