

World experts say NO to Telstra split

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Some of the world's leading regulatory experts were recently in Australia to discuss how regulation could and should work to promote investment in new infrastructure and allow markets to operate efficiently.

Two experts, Professor George Yarrow of the UK-based Regulatory Policy Institute, and Dr Mark Jamison of the Public Utilities Research Centre in Florida, did double-duty - speaking as invited guests at the ACCC's Gold Coast regulatory conference, and also discussing their recent submissions to the Government's National Broadband Network regulatory review.

The ACCC's Gold Coast conference titled "*Revisiting the rationale for regulation*" prompted the general response that regulators should intervene less and let market forces operate.

Professor Yarrow said that regulation is often in response to demands that "something must be done" and that demand often leads to central planning and intervention in an attempt to determine the structure of markets.

"But, central planning generally fails because of its inability to handle informational complexity in general, and poor discovery incentive in particular".

Dr Jamison told the conference regulation is dangerous work, and in today's context means "disappointing people at a rate they can endure". He also said that forms of separation in telecommunications are simply examples of "rent-seeking behaviour".

Quoting recent research, Dr Jamison said:

"Regulation emerges from what would otherwise be a free market system because stakeholders with political power are able to entice politicians into imposing regulations that shift wealth from the less powerful to the more powerful."

Learn more:

- For more insights from these experts, refer to the [ACCC's conference papers](http://www.accc.gov.au) (www.accc.gov.au).

[Watch](#) YouTube interview with Dr Mark Jamison: Running time: 4min. 55sec.

[Watch](#) YouTube interview with Professor George Yarrow: Running time: 7min. 59sec.