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Please note that the articles reflect the views of the authors and not those of the University of Johannesburg or CCRED.

**Course: Economics for Competition and Regulation, Nairobi, 19 & 20 August**

**Course: Law for Competition and Regulation in East Africa, Nairobi, 18-20 August**

**SLP: Financial Analysis and Cost Accounting, Rosebank, 9-11 September**

**Open Lecture: African Development and the Political Economy of Industrial Policy  
Mushtaq Khan & Chris Cramer  
Rosebank, 2 September**



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# Quarterly Competition Review

Centre for Competition, Regulation and Economic Development

## Editor's note

This quarter has been a busy one for CCRED. In June 2015, CCRED had the opportunity to present our recent research on coordination in regional fertilizer markets at the World Bank and OECD conference on Promoting Effective Competition Policies for Shared Prosperity and Inclusive Growth, in Washington. Several CCRED papers on regional development were presented at the TIPS Annual Forum on Regional Industrialisation and Regional Integration. And, in July, we had the honour of hosting Prof Eleanor Fox from New York University who presented on competition policy and its potential contribution towards achieving the Millennium Development Goals. Her talk challenged the audience to reconsider the narrow conception of competition enforcement in terms of investigation and litigation of cases. Instead, she contextualised this work within the bigger picture of making markets work as tools for giving the poorest people in the world access to fundamental needs and granting people the dignity of participating and sharing in the economy.

The theme of competition, inclusion and inequality is picked up in this year's Competition Commission and Tribunal conference in November which considers competition policy and enforcement in BRICS countries. There is a clear common thread in the thinking of practitioners and researchers in terms of leveraging the enforcement muscle, reputation and scope of competition regimes to contribute to reversing patterns of stagnant economic growth and high barriers to participation that have left so many in Africa in a state of dire poverty. Debates about public interest clauses and narrow interpretations of the competition law detract from the fact that the rights to food and healthcare, amongst other fundamental needs of individuals, are enshrined in the Constitution of South Africa and many others in the developing world. Those that seek to undermine the attainment of these rights, through exploitative and exclusionary abuses, or cartel violations should be penalised to the fullest extent of the law.

While the law, of course, needs to uphold the principles of fairness and while respondents have every right to have their day in court, current practice in competition jurisdictions across African countries has seen firms get away with undermining the potential for greater inclusion and participation, at the expense of those at the bottom of the pyramid without the wherewithal to argue their case. This perhaps speaks to the greater role of all government agencies and departments as developmental institutions that should be tasked with making the tough, unpopular decisions that lead towards 'a better life for all', including through crafting and interpreting the law to take on development challenges head-on. To echo Prof Fox's message, this requires a bold approach that directly addresses the distributional failures of markets and makes markets work for the poor. The question we may want to ask is how competition law in developing countries can be framed and applied more directly to become part of the solution for achieving inclusive development goals?

This Review considers the 'black industrialists' programme in South Africa in the context of strategic barriers to entry and inclusion. We also assess developments in the regional pay-tv market, price fixing in forex markets, and developments in the telecoms markets of South Africa and Zimbabwe. We have included the details of several upcoming CCRED events, such as the exciting evening seminar with Prof Mushtaq Khan and Prof Chris Cramer on the political economy of industrial policy in Africa, and information on training courses that we will be hosting with our partners in Kenya and South Africa in the coming months.

We trust you will find this Review interesting and relevant to your work. Please share with us any feedback and comments you may have.

*Thando Vilakazi*