The ‘British utility model’ in Europe: ‘Littlechild abroad’?

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Dominant European utility model until 1980s and later

Forms of industrial policy via

- Public ownership
- Closure of domestic markets
- Promotion of ‘national champions’

Apparent adoption of ‘British model’

- EU regulation ending monopolies and re-regulating for competition
- Privatisations
- Spread of IRAs

Continuation of industrial policy- Industry structure

- Continued state ownership – majority or minority
- Sale of government shares to selected buyers
- Pre-emptive M and As
- Obstruction/discouragement of M and As
- White knights and encouragement of other bidders

Table 1 Commission cases notified- by year of decision

Year of decision	Energy	Telecommunications
1990	**0**	**0**
1991	**0**	**0**
1992	**0**	**1**
1993	**0**	**3**
1994	**2**	**1**
1995	**1**	**5**
1996	**2**	**7**
1997	**3**	**8**
1998	**6**	**20**
1999	**6**	**21**
2000	**11**	**35**
2001	**24**	**25**
2002	**22**	**7**
2003	**15**	**3**
2004	**9**	**10**
2005	**13**	**17**
2006	**18**	**10**
2007	**13**	**16**
2008	**13**	**6**
2009	**38**	**3**
Total	**196**	**198**

Table 2 Treatment of sectoral notified cases 1990-2009

	Energy	Telecoms
Phase I decisions	**91% (179)**	**90% (178)**
Cases withdrawn Phase I	**1% (2)**	**3% (6)**
Phase II decisions	**5% (9)**	**4% (7)**
Cases withdrawn phase II	**0**	**1% (2)**
Total notified cases	**196**	**198**

Table 3 Commission decisions 1990-2009

	Energy	Telecoms
Unconditional approval Phase I	**87% (170)**	**86% (170)**
Conditional approval Phase I	**5% (9)**	**4% (8)**
Unconditional approval Phase II	**0**	**Under 1% (1)**
Conditional approval Phase II	**4% (8)**	**3% (5)**
Prohibition (Art 8(3))	**Under 1% (1)**	**Under 1% (1)**

Table 4 Composition by nationality of the parties

	Energy	Telecoms
Cross-border EU	**68% (127)**	**58% (107)**
EU domestic	**18% (33)**	**7% (12)**
One non-EU acquirer or party to JV	**10% (19)**	**23% (42)**

Conclusions

- Formal British model institutions
- But new form of industrial policy
- Liberalisation AND development of large ‘European champions’