

## Regulatory Reform in OECD Countries

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### 1. Introduction

Few policy reforms have spread as quickly among countries of the Organisation for Economic Co-Operation and Development (OECD) as has regulatory reform in the past decade. Today, practically *all OECD countries have launched programmes aimed at modernizing and rationalising national regulatory regimes*, based on juridical, economic, and public management principles that are converging in content. International co-ordination of reform such as through the European Single Market programme and the World Trade Organization (WTO) have given further impetus to the reform movement. Regulatory reforms with similar objectives are underway in countries governed by very different views of the market and the state, and hence regulatory reform should be seen today as a pragmatic response to contemporary economic and social pressures shared by all developed democracies, rather than as an agenda driven by narrow ideologies.

The substantial experience that has accumulated in many countries leads to obvious questions: What have we learned about regulatory reform? What are the next steps? In 1995, Member governments requested that the OECD examine the significance, direction and means of regulatory reform. In May 1997, The OECD Report on Regulatory Reform found that (i) regulatory reform has brought in many countries *significant benefits* both in terms of improved economic performance and in terms of more effective government policies, and that (ii) potential disruptions due to reform can be managed through careful planning and development of complementary policies. The Report recommended that countries adopt well-planned, systematic, and ambitious programmes of reform. It

was welcomed by Ministers of OECD countries, who agreed to work to implement its recommendations in their Member countries<sup>1</sup>.

## 2. Why focus on regulations?

Why focus on reform of regulations? Regulatory reform is not an end in itself - it is only one means among many to *improve the content and application of government policy*. In a complex world, policy reform typically includes a wide range of policies and instruments, not only regulations. Some have cautioned that the increasing variety of types and forms of regulation - from international treaties, national constitutions and parliamentary law all the way down to local licensing decisions - is so wide that it is difficult to develop any coherent view of the use of regulation (see Box below for the OECD definition of regulation).

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<sup>1</sup> The OECD Report on Regulatory Reform: The Summary can be found on the Internet at [<http://www.oecd.org/subject/regreform/>]. The Synthesis Report and the 2-volume Sectoral and Thematic Studies in Regulatory Reform are on sale from the OECD at its headquarters in Paris, Fax 33 / 1 / 49 10 42 76 for purchase information.

In Switzerland, OECD publications are sold at:

Maditec SA, Chemin des Palettes 4, Case postale 266, 1020 Renens, Tel: 021 / 635 08 65.

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### Defining Regulation and Regulatory Reform

The diverse set of instruments by which governments set requirements on enterprises and individuals include laws, formal and informal orders and subordinate rules issued by all strata of government, and rules issued by non-governmental or self-regulatory bodies to whom governments have delegated regulatory powers. Regulations fall into three categories.

- **Economic regulations** intervene directly in market decisions such as pricing, competition, market entry or exit. Reform aims either at reducing barriers to competition and innovation, often through deregulation and use of efficiency-promoting regulatory techniques, or at improving the regulatory framework for market functioning.
- **Social regulations** protect non-economic values, such as health, safety, the environment and social cohesion. The economic effects of social regulations may be secondary concerns or even unexpected, but can be substantial. Reform aims to verify that regulation is necessary and justified, and to design regulatory and non-regulatory instruments that are clearer, simpler and more effective at lower cost.
- **Process regulations** are paperwork and administrative formalities – so-called ‘red tape’ – through which governments collect information and intervene in individual economic decisions. They can have substantial impacts on private-sector performance. Reform aims at streamlining and simplifying those that are necessary, and eliminating those no longer required.

‘Regulatory reform’ refers to changes that improve regulatory quality, that is, enhance the performance or cost-effectiveness of regulations and related government formalities. Reform can mean revision of a single regulation, the scrapping and rebuilding of an entire regulatory regime and its institutions, or improvement of processes for making regulations and managing reform. Deregulation is an element of regulatory reform; it refers to complete or partial elimination of regulation in a sector to improve economic performance.

Yet regulatory reform has emerged as a guiding concept in its own right precisely because regulation is so pervasive an instrument by which governments intervene into markets. It is a pillar of effective government in almost all policy fields and a core element of the evolving concept of the rule of law. Poor regulation can impose large static and dynamic costs in all these fields, justifying a closer look at regulation itself. From a practical perspective, the study and reform of regulation has proven to be ap-

pealing to practitioners in all three fields as a useful and effective way to organise policy reform. Finally, some concepts of good regulatory practice are inherent to the instrument, and can be applied across policy fields. For example, regulation tends to be a static instrument that does not adjust well to changing conditions. General problems inherent to the regulatory instrument suggest that a focussed look at regulation can be efficient in stimulating reform across many government policies.

### 3. Why regulatory reform?

The OECD Report reported that a growing body of experience shows that well-planned and properly implemented regulatory reform that stimulates competition in domestic and international markets can raise productivity, lower prices and expand the range of goods and services available to consumers. Yet reform does not mean complete *laissez-faire*: *regulations will continue to be important tools* for setting the rules of the game by which markets function, and for improving safety, protecting the environment, and upholding social values such as equity. Governments are finding new means, both regulatory and other, of providing sound social protections while allowing markets to work more efficiently<sup>2</sup>.

In a world that rewards flexibility, rapidity and responsiveness, government regulation can seem increasingly out of step, even irrelevant at times in the face of ever swifter economic, technological and social change. As a consequence, long-standing national regulatory institutions and regimes are becoming obsolete, and even *harmful to national prosperity and government effectiveness*. Regulations that block competition also depress capital and labour productivity, raise prices, restrict consumer choice, stifle the development and diffusion of new technologies, and slow adjustment to changing market conditions. Evidence suggests that large gaps in sectoral productivity between some OECD countries can be blamed partly on differences in regulation. More productive and flexible economies are necessary, not only to stimulate output and job creation but also to serve aging OECD populations. As populations age,

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<sup>2</sup> The OECD Report to Ministers on Regulatory Reform, OECD Publications, Paris, 1997.

there are proportionately fewer workers to support a growing number of retirees; productivity thus has to increase if living standards are to be maintained<sup>3</sup>.

Other regulations preserve the past at the cost of the future by *discouraging entrepreneurs* from starting new businesses. Barriers to entry for small and medium-sized enterprises (SMEs) are a source of particular concern, since SMEs are important generators of jobs, innovators and flexible suppliers to larger firms.

As tariffs and other border measures are dismantled, national regulations are often left as the biggest *impediments to an open, competitive market economy* and the free flow of goods, services and technologies that benefit consumers and bring domestic firms up to international standards of performance. Maintaining an open world trading and investment system requires broad changes in regulatory style and content to promote global economic integration, avoid trade disputes and improve trust and mutual confidence across borders. And an inefficient framework of rules erodes not only the competitiveness and adaptability of regulated industries but also those of non-regulated firms that pay more for goods and services.

Reform is not only a question of liberalising markets. It also involves a quest for *better government*. For example, governments must continue to ensure that food is safe to eat even when food imports are increasing. Government intervention is often called for to safeguard economic and social-policy objectives in, for example, consumer and environmental protection, health and safety, and equity, but voters in many countries feel that governments are losing credibility and effectiveness in the face of inexorable change. In some countries, pervasive government controls leave opportunities for corruption. Regulators in all policy areas today must learn to react more quickly, assess more completely the impacts of their actions and intervene only where essential, apply rules more transparently and predictably, and wield a wider range of flexible and cost-effective policy tools, such as market-based instruments and voluntary

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<sup>3</sup> Lans BOVENBERG and Anja VAN DEN LINDEN, "Pension Policies and the Aging Society", *The OECD Observer*, No. 205, April/May 1997.

agreements<sup>4</sup>. The difficulties of these kinds of reforms, particularly in national administrations based on hierarchical legalistic traditions, are daunting.

But regulatory reform is not an end in itself. Regulation is an *instrument of policy*, and reform must be based on a debate about policy goals, economic and social priorities, and the roles of governments and markets in delivering to taxpayers a changing mix of goods and services (including social protections) that together maximise the quality of life. *The benefits of reform must be weighed against costs and risks*. Reform that is badly designed or clumsily implemented, without taking policy linkages, transition costs, and institutional incentives and capacities into account, can worsen economic performance and undermine social objectives.

#### 4. A view of reform in OECD countries

From limited beginnings two decades ago, regulatory reform has spread rapidly across the OECD, though progress has been uneven across countries and sectors. Priorities in reforming regulation differ among countries. Some, such as New Zealand, the United Kingdom, and to some extent members of the European Single Market have launched far-reaching *structural changes in important sectors that were traditionally highly regulated*, such as transport and public utilities, by removing restrictions on competition, often beginning with privatisation, and building new efficiency-promoting regulatory regimes.

Other countries, such as Australia, Japan and Mexico, have also set broad-based reviews in motion across the entire administration to apply market principles to decades of accumulated economic and social regulations and to formalities such as government licenses and paperwork. These reviews are aimed at reducing regulation and other government controls to the minimum necessary to reach policy objectives.

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<sup>4</sup> Scott JACOBS, "Controlling Government Regulation: A New Self-Discipline", *The OECD Observer*, No. 175, April/May 1992, pp. 4-8.

Others yet, including Canada, the Netherlands, Sweden and the United States, are changing institutions and decision-making processes inside governments through the use of central supervisory bodies, regulatory-impact analysis, public consultation and improved law-drafting. These reforms are aimed at improving the capacity of government to produce *higher-quality regulation* in all policy areas and, over the longer term, to change the culture of administration away from old habits of control.

Effective reform is thus a varying mix of regulation, deregulation and re-regulation, supported as necessary by institutional reform. Failures of regulatory reform, such as the credit crises stemming from financial-sector reform in some countries, the slow and disappointing emergence of competition in utility sectors in several, and the lack of progress in many of them in removing unnecessary and outdated regulations can have several causes. They are often rooted in a failure to implement balanced reform packages that simultaneously promote efficient markets, address links with other important policy concerns, and develop political and administrative capacities for implementing and sustaining reform.

## 5. The Benefits of Reform

Experiences of the countries that have made the most progress show convincingly that *winners from reform have far outweighed the losers*, and that there is considerable scope for additional benefits from reform. Elimination of regulatory barriers to competition has compelled firms to become more efficient and boosted the productivity of entire industries, among them airline and road transport, electricity generation and telecommunications. Improved efficiency has meant sharply *lower prices* for consumers and user businesses for these services (see Table below). As productivity improves, real wages also increase as a more efficient workforce is rewarded by higher earnings.

Indeed, the effects of market liberalisation in individual sectors can be so powerful that it boosts national output as a whole:

- The OECD Report suggests that ambitious reform in key sectors may, ultimately, significantly boost Gross Domestic Product (GDP), per-

haps between 3 and 6 per cent for the more heavily regulated countries in Europe and for Japan.

- In the United States, reform in several sectors is providing annual benefits to consumers and producers of between \$ 42 billion and \$ 54 billion.
- The European Single Market, by promoting competition and replacing many separate national requirements by single Europe-wide requirements, is estimated to have increased European GDP by up to 1.5 per cent between 1987 and 1993.
- In Japan, efficiency gains from regulatory reform are estimated to boost consumer income by about 0.3 per cent per year, or \$ 36 billion annually.

Reforming social and 'process' regulations (see Box above) to meet public-policy objectives at lower cost is becoming the focus of efforts to *raise productivity and stimulate business activity*. These kinds of regulations are estimated to cost US businesses \$ 500 billion a year (about 10 % of GDP). Government-imposed administrative burdens alone are estimated to cost European businesses an annual 540 billion ECUs (3–4 % of GDP), or about twice as much as the total wealth produced by the entire European farming sector. In Canada, it costs small firms 8 per cent of their revenue to comply with government paperwork; larger firms spend 2 per cent. Reductions in these burdens and barriers can free scarce human and financial resources for more productive activities and invigorate a new spirit of entrepreneurship.

Regulatory reform has also stimulated the creation and diffusion of new products and services, resulting in increased convenience and choice for households and businesses. In telecommunications, for instance, mobile telephones and Internet access appeared much more quickly in competitive environments than in countries with telecommunication monopolies. Introduction of competition helped increase the number of subscribers to cellular phones in OECD countries from 700,000 in 1985 to 71 million by 1995. In competitive markets, the emergence of new financial services such as innovative mortgages has enabled more people to become homeowners.



As the world economy is integrated through trade and investment, moreover, the advantages of more efficient and innovative economies are shared by foreign producers of goods and services, as well as investors, thus allowing fuller use of economies of scale and innovative combinations of technologies. Such considerations provided the impetus behind the recent WTO Agreement on Basic Telecommunications, which is expected enormously to expand output and benefit consumers in all participating states. There is therefore a shared interest in reform that should give further momentum to programmes of this sort in individual countries.

Reforms that improve government capacity to produce high-quality regulation, choose priorities more carefully and apply a broader range of policy instruments have helped *satisfy social considerations*, such as health, safety and environmental protection. Economic incentives as a complement to regulation, for example, can be powerful. In Sweden, a tax on sulphur content of fuel oils resulted in a reduction in sulphur content of fuel oils by almost 40 per cent beyond the stipulated requirements<sup>5</sup>. In the United States, the use of more efficient emissions-trading permitted industry and regulators to agree on tougher emissions standards compared to command-and-control regulation, and still reduce costs by billions of dollars. Sometimes regulators waste considerable resources and permit unnecessary hazards by regulating tiny risks while leaving important ones untouched. A recent study in the United States, for example, found that if regulations were re-targeted at situations where lives could be saved at lowest cost, some 60,000 deaths could be avoided each year without increasing regulatory costs<sup>6</sup>.

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<sup>5</sup> Jean-Philippe BARDE and Stephan SMITH, "Do Economic Instruments Help the Environment?", *The OECD Observer*, No. 204, February/March 1997.

<sup>6</sup> Tammy TENDS and John GRAHAM, "The Opportunity Costs of Haphazard Social Investments in Life-saving", in: Robert HAHN (ed.), *Risks, Costs, and Lives Saved: Getting Better Results from Regulation*, Oxford University Press, New York and London 1996.

## 6. Weighing the Costs

The benefits of regulatory reform have to be weighed against the costs. Transitional costs and effects on policy objectives merit careful consideration. They can include business disruptions and failures (particularly where companies have been heavily protected for many years), job losses in specific sectors (again, usually where governments have shielded them from competition), and possible impacts on safety, public services and environmental quality.

In some cases, the pain of reform must simply be borne, since the pain of not changing will be even worse, though deferred. Here, *reform is a political choice that balances costs* (often short-term and concentrated) *with benefits* (often longer-term and generalised). In many cases, though, governments can take steps to reduce the magnitude and duration of costs. The crucial element is design of a co-ordinated package that cuts across policy areas and instruments. The *careful and transparent mapping-out* of policy linkages and planning of the transition is essential, particularly where reform will have far-reaching structural effects. Such clarity will quicken the transition to truly competitive markets, and help avoid costly mistakes that may take years to correct.

Public misgivings about potential adverse effects of reform on safety, health and consumer protection must be addressed. Innovative and expanding markets can produce *new risks* to which governments cannot respond quickly enough. Increased road accidents in some countries were blamed on fiercer competition between new haulage firms after reform. Concerns have been voiced about the safety of air transport in competitive markets. And in the United Kingdom aggressive selling of some financial services to the detriment of consumers followed liberalisation.

Evidence from countries where reform has taken place shows nonetheless that strong competition is not inconsistent with a good safety record, as long it is backed up with effective health-and-safety measures. After the deregulation of airlines in the United States, in fact, fatalities per million passenger miles dropped by 75 per cent (from 1974–76 to 1993–95). The safety record of road freight transport also improved in the United Kingdom after reform. Of course, regulators should be prepared

to move quickly in response to rapid product developments, which may require that governments strengthen regulatory bodies in parallel with market liberalisation.

Consumer protection is another important concern. Consumers faced with more choices may require more information and confidence-building measures. Mutual-recognition agreements between countries can help address worries that entry of foreign products and services may lead to reduced standards of safety or consumer protection<sup>7</sup>.

The effect of market liberalisation on jobs is a central consideration. Heightened competition may initially result in job losses in individual sectors as businesses are forced to become more efficient. Although reform increases demand for labour in other firms and sectors, displacement can be costly for affected workers and society as a whole. Here, regulatory reform should be accompanied by active labour-market measures. The OECD Jobs Study set out a broad programme of action intended to enhance the ability of the labour market to adjust, as well as to increase the capacity of the economy to create knowledge and to innovate<sup>8</sup>.

*Competition* in vital services such as telecommunications, energy and public transport *might conflict with equity objectives* by undermining 'universal service'. The reform of financial services in Australia, for example, was accompanied by new fees and charges on basic services, with disproportionate impacts on people with low incomes, not least the elderly. Market forces can also reduce the range and scope of services available in low-density areas, if, say, rural post offices begin to close, as happened in Finland.

*Compensating measures* can mitigate unacceptable distributional consequences while preserving the benefits of more dynamic and efficient markets. Most pro-competition reforms in public utilities have included measures to guarantee access to public services. All governments that

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<sup>7</sup> Christopher WAGNER, "Safe Products and Global Trade", *The OECD Observer*, No. 202, October/November 1996.

<sup>8</sup> The OECD Jobs Study: Facts, Analysis, Strategies, OECD Publications, Paris 1994; The OECD Jobs Study: Evidence and Explanations, OECD Publications, Paris 1994.

have liberalised telecommunications markets, for instance, have maintained the policy principle of universal service and are developing a range of new programmes, such as transparent subsidies, to deliver and fund it. In some cases, competition in itself has also significantly benefited universal service by reducing prices and promoting diffusion of new technologies that are more readily available to consumers.

## 7. Conclusions

Regulatory reform takes place in complex political, social, economic and administrative environments. The benefits can be maximised and the risks better managed through a process of careful and transparent planning and policy co-ordination that is informed by the experiences of other countries. A pragmatic view of reform, based on potential benefits and costs, is important.

Regulatory reform will not succeed unless governments, including both legislatures and administrations, are capable of making clear to the general public why reform is important to them, and convincingly show how reform will be carried out so that the results do not violate values of social justice. This requires three fundamental conditions:

- governments must identify more clearly the appropriate roles of the state and the market in modern society;
- within that framework, governments must set out their major policy objectives guiding reform, and show how policy conflicts will be balanced in the process of reform;
- public administrations must be responsive to the need for change and capable of remaining effective under new conditions.

Different countries will legitimately choose to pursue different regulatory policies. The challenge is to ensure that *regulation is used as efficiently, effectively, and transparently as possible* in pursuit of the public interest. Reform, well co-ordinated and planned, is not an ideological act, nor simply a concession to stronger markets that accelerates painful structural change. Instead, it is a means of managing necessary change so as to

ease disruption and develop new opportunities for economic and social progress.

**Table**  
**Price reductions after elimination of economic regulation**

Sector		Price reductions in real terms (per cent)
Road transport	Germany	30
	Mexico	25
	France	20
	United States	19
Airlines	United States	33
	United Kingdom	33
	Spain	30 <sup>1</sup>
	Australia	20
Electricity	Norway (free market)	18-26 <sup>2</sup>
	United Kingdom	9-15 <sup>3</sup>
	Japan	5
Financial services	United Kingdom	70 <sup>4</sup>
	United States	30-62 <sup>4</sup>
Professional services	United Kingdom (conveyancing)	33
Telecommunications	Finland	66 <sup>5</sup>
	United Kingdom	63 <sup>6</sup>
	Japan	41 <sup>6</sup>
	Mexico	21 <sup>5</sup>
	Korea	10-30 <sup>7</sup>

Note: Price reductions may be in part attributable to factors other than regulatory reform.

1. Refers to discount fares on the highest density route. Larger drops have been registered on other routes.
2. The former figure refers to reductions for industrial customers who renegotiated contracts with their traditional suppliers, the latter refers to industrial customers shifting to new suppliers.

3. The former figure refers to electricity rates for households, the latter for industrial customers.
4. Refers to stock exchange commissions. In the U.S. case, the former figure refers to rates for small transactions, the latter to rates for large transactions.
5. Price of long distance calls.
6. Average prices of telephone services.
7. The former figures refers to domestic long distance calls, the latter to international calls.

Source: The OECD Report on Regulatory Reform, Paris, 1997.

## **Zusammenfassung**

In den letzten 20 Jahren haben viele Mitgliedstaaten der Organisation für wirtschaftliche Zusammenarbeit und Entwicklung (OECD) ihre Gesetzgebung reformiert, so u.a. in den Bereichen Verkehr, Energie, Finanzdienstleistungen oder Fernmeldewesen. 1995 ersuchten die Mitgliedstaaten die OECD, Bedeutung, Inhalt und Mittel der Reformen der Gesetzgebung aufgrund der gesammelten Erfahrung zu prüfen. Unter den Reformen der Gesetzgebung sind Verbesserung, Überprüfung oder Abbau wirtschaftlicher, sozialer oder von Verfahrensregelungen zu verstehen. Der entsprechende Bericht wurde im Mai 1997 verabschiedet.

Die Gesetzgebung ist ein wichtiges Instrument zur Regelung von Staat, Gesellschaft und Wirtschaft. In Zeiten raschen Wandels können ungeeignete oder überholte gesetzliche Regelungen die wirtschaftliche Entwicklung behindern. Deshalb sind Reformen der Gesetzgebung für bessere wirtschaftliche Rahmenbedingungen so wichtig. Sie ermöglichen zudem eine verbesserte Umsetzung und eine erhöhte Wirksamkeit der von den Behörden beschlossenen Politiken. Eine qualitativ hochstehende Gesetzgebung befähigt die Behörden, durch die verschiedenen Mittel des staatlichen Handlungsinstrumentariums zeitgerecht und zielgerichtet dort zu handeln, wo es nötig ist, und auch den sozialen Aspekten (Gesundheit, Sicherheit, Konsumenten- und Umweltschutz) gerecht zu werden (z.B. durch die Einführung von Lenkungsabgaben).

Die Reformen der Gesetzgebung, insbesondere durch Abbau gesetzlicher Schranken, führten vor allem in hoch regulierten Bereichen u.a. zu mehr

Effizienz und Wettbewerb, zu einer Produktivitätssteigerung, zu tieferen Preisen (vgl. Tabelle vor dieser Zusammenfassung) sowie zu einer Steigerung des Bruttoinlandprodukts. Allerdings können Reformen neue Kostenrisiken bergen (Beispiele: Anstieg der Strassenverkehrsunfälle nach Einführung vermehrten Wettbewerbs bei Transportfirmen, oder: Verschlechterung der staatlichen Grundversorgung [Post]); deshalb sind flankierende Massnahmen besonders wichtig. Erfahrungen zeigen jedoch, dass die Nutzen sorgfältig erfolgter Reformen die Nachteile bei weitem überwiegen.

Reformen der Gesetzgebung können dann erfolgreich sein, wenn es den Behörden gelingt, der Öffentlichkeit nicht nur deren Nutzen klar zu machen, sondern auch, dass die Reformen die soziale Gerechtigkeit nicht verletzen.

## **Resumé**

Au cours des 20 dernières années, de nombreux Etats Membres de l'Organisation de Coopération et de Développement Economiques (OCDE) ont réformé leurs législations, notamment dans les domaines des transports, de l'énergie, des prestations de services dans le secteur financier et des télécommunications. En 1995, les Etats Membres ont requis l'OCDE d'examiner la portée de ces réformes, leur contenu et les moyens employés pour les mener à chef en se fondant sur les expériences recueillies. Par réformes de la législation, il faut entendre l'amélioration, le contrôle ou la limitation des réglementations économiques, sociales ou procédurales. Le rapport correspondant a été adopté en mai 1997.

La législation est un instrument important pour aménager les affaires de l'Etat, de la société et de l'économie. Dans une période marquée par des changements rapides, des réglementations légales inappropriées ou dépassées peuvent entraver la croissance économique. Aussi les réformes de la législation destinées à améliorer les conditions cadres de l'économie ont-elles une grande importance. Elles améliorent en outre la mise en œuvre et l'efficacité des politiques arrêtées par les autorités. Une législation de haute qualité met les autorités à même d'agir, en temps utile et en conformité avec les objectifs visés, là où il le faut, avec les différents

instruments de l'action étatique, et de satisfaire (par ex. en introduisant des contributions d'orientation) aux différents impératifs sociaux (santé, sécurité, protection des consommateurs et de l'environnement).

Les réformes de la législation, en particulier celles qui ont abouti à une déréglementation, ont renforcé l'efficacité et stimulé la compétitivité, surtout dans les domaines fortement réglementés, accru la productivité, fait baisser les prix (cf. tableau précédant ce résumé) et hausser le produit national brut. Les réformes risquent cependant d'entraîner de nouveaux frais (exemples: augmentation des accidents de la circulation routière due à une concurrence accrue entre entreprises de transports, ou: dégradation de services publics essentiels [poste]); c'est pourquoi les mesures d'accompagnement sont particulièrement importantes. Il résulte cependant des expériences recueillies que les bénéfices obtenus grâce à des réformes soigneusement menées à chef prévalent de beaucoup sur les désavantages qu'elles génèrent.

Les réformes de la législation peuvent en outre être fructueuses si les autorités parviennent à expliquer clairement au public non seulement quels sont les avantages de ces réformes mais encore que ces réformes ne violent en rien la justice sociale.