For Official Use

DAF/COMP/WD(2009)9/ADD1

Organisation de Coopération et de Développement Économiques
Organisation for Economic Co-operation and Development

16-Feb-2009

English text only

DIRECTORATE FOR FINANCIAL AND ENTERPRISE AFFAIRS
COMPETITION COMMITTEE

DAF/COMP/WD(2009)9/ADD1
For Official Use

COMPETITION AND FINANCIAL MARKETS

Roundtable 2 on Crisis: The Role of Competition Policy in Financial Sector Rescue and Restructuring

-- Note by Turkey --

This note is submitted by Turkey to the Competition Committee FOR DISCUSSION at its forthcoming meeting to be held on 16-18 February 2009.

JT03259693

Document complet disponible sur OLIS dans son format d'origine
Complete document available on OLIS in its original format

English text only

1. Introduction[1]

1. Turkey experienced a significant economic crisis starting and in late 2000 and deepening in early 2001. The economic crisis broke out mainly in banking sector and influenced other parts of economy rapidly. As the economic crisis originated from financial markets as in the case of recent economic crisis, the measures taken with respect to financial markets played a major role in tackling the crisis. Thus considering the nature of recent global economic crisis, it is possible to argue that Turkey's experience in early 2000s may present certain lessons to be drawn.

2. Banking sector restructuring program (2001)[2]

2. Following the November 2000 and February 2001 crises which had negative impacts both on the economy and the banking system, an extensive streamlining plan, the *Banking Sector Restructuring Program* was started by the Banking Regulation and Supervision Agency (BRSA) which was founded in 1999. The restructuring program envisaged mergers, acquisitions and liquidations of insolvent banks before all else. Thus, mergers where the total asset share of merging banks was below 20 per cent of total assets of the banking sector were exempted from the merger review under the Act on the Protection of Competition No: 4054 (Turkish Competition Law-TCL). Besides, bank mergers were supported by certain tax subsidies. In this context, the program was based on the following main pillars: (1) Restructuring of state banks, (2) Prompt resolution of Savings Deposit Insurance Fund (SDIF) banks, (3) Strengthening of private banks, and (4) Strengthening the regulatory and supervisory framework.

2.1 Restructuring of State Banks

3. Despite the fact that both private and state banks had accumulated risks on the road to the crisis, the nature of the problem was different. On the asset side, the increasing size of "duty loss" accumulation of state banks and the need to finance it by short-term domestic bank liabilities were the source of the problem[3]. On the liability side, the ratio of lira to foreign exchange liabilities shows one major difference between the two groups. The ratio was much lower and moreover was decreasing for private banks. While state banks were more open to interest rate risk, private ones were more prone to exchange rate risk. This is why the November 2000 crisis had hit state banks the hardest and the effect of the currency collapse in February 2001 was just the reverse (Özatay and Sak, 2001).

4. A resolution plan entered into force with regard to the restructuring program of Ziraat and Halk Bank (Emlakbank was transferred to Ziraat Bank in July 2001). The resolution strategy for the duty loss problem (losses incurred by state banks due to subsidized lending) included two components: Preventing new duty losses, and managing the stock of outstanding claims. To prevent new duty losses, laws and cabinet decisions that caused service losses were terminated. To manage the stock of duty losses, the overall total resources transferred to state banks with the aim of tying duty loss receivables from the Treasury (US $ 19 billions) to securities and providing capital support amounted to US $ 2,9 billions. In addition to the removal of the duty loss problem and capital strengthening, the short-term liabilities of state banks were eliminated and deposit rates of these banks were determined in line with market rates.

1 This contribution is a joint work by the Turkish Competition Authority and State Planning Organisation.

2 This subsection is mostly quoted from various issues of the BRSA reports.

3 Because of the increasing government debt stock and financing needs of the Treasury, after 1992, some activities were financed by the government through loans taken from state banks. Instead of repaying the principal and the interest accrued, the Treasury allowed a non-performing loan to be treated as a performing loan by state banks.

5. On the other hand, steps have been taken within the framework of operational restructuring. Organizational, technological, product, human resources, loan issues, fiscal control, planning, risk management and service structures of banks have been restructured in compliance with the requirements of modern banking and international competition.

2.2 Resolution of SDIF Banks

6. 22 banks were taken over by the SDIF between 1997-2005. After the BRSA started to operate on August 31, 2000 (in addition to the existing eight banks), the administration of 14 banks was assumed by the SDIF according to the resolutions of the BRSA. Merger method was used for 13 of 22 banks taken over by the SDIF, while sales method was used for 5 banks and liquidation method was used for 3 banks, and 1 bank was structured as a transition bank to execute asset management function. It is observed that the total balance-sheet size of the said 22 banks by the year-end before the analysis strategy is executed constitutes about 15% of the total assets of the sector. The number of personnel of the said banks is about 21% of the total number of personnel in the sector.

7. With a view to accelerating the resolution process, SDIF banks have been subjected to a comprehensive financial and operational restructuring process. Accordingly, the short-term liabilities of SDIF Banks have been liquidated, and a portion of deposits and F/X liabilities has been transferred to the other banks. In addition, some of problem receivables assumed by the SDIF have been sold to third parties, thus efficiency in follow-up and collection activities has been ensured.

2.3 Strengthening the Private Banking System

8. Strengthening private banks whose financial structures and profitability performances got worse due to the crises experienced composed an important part of the Banking Sector Restructuring Program. Within the scope of the program, the focus was on private banks, the policy priority was to strengthen capital structures of private banks with their own resources and limit market risks. In this context, the Bank Capital Strengthening Program was designed and implemented. With the implementation of the "Programme for Strengthening the Capital Base of Private Banks", commitment letters from banks with capital inadequacy problem were taken and the practice was carefully monitored. Additionally, a voluntary debt-restructuring program between banks and credit customers, known as the *Istanbul Approach,* was introduced to resolve non-performing loan problems of private banks. As a result, balance sheets of private banks have become more transparent and risk-sensitive.

2.4 Strengthening the regulatory and supervisory framework

9. Concurrently with the financial and operational restructuring of the banking sector, significant progress has been made in legal and institutional regulations, which would strengthen the surveillance and supervisory framework, ensure competitiveness and efficiency, and improve confidence in the sector.

10. Within this context, regulations were issued to prevent risk concentration in loans, limit participation of banks in non-bank financial institutions, and ensure preparation and disclosure of balance sheets of banks in compliance with international accounting standards. Among many other structural reforms, the banking reform intended to upgrade and modernize the current rules and in general covered the following banking-related areas: capital adequacy, foreign exchange exposure, internal control and risk management, deposit guarantee schemes, accounting standards for financial disclosure purposes, prudential reporting, and loan-loss provisions.

3. Competition and the crisis

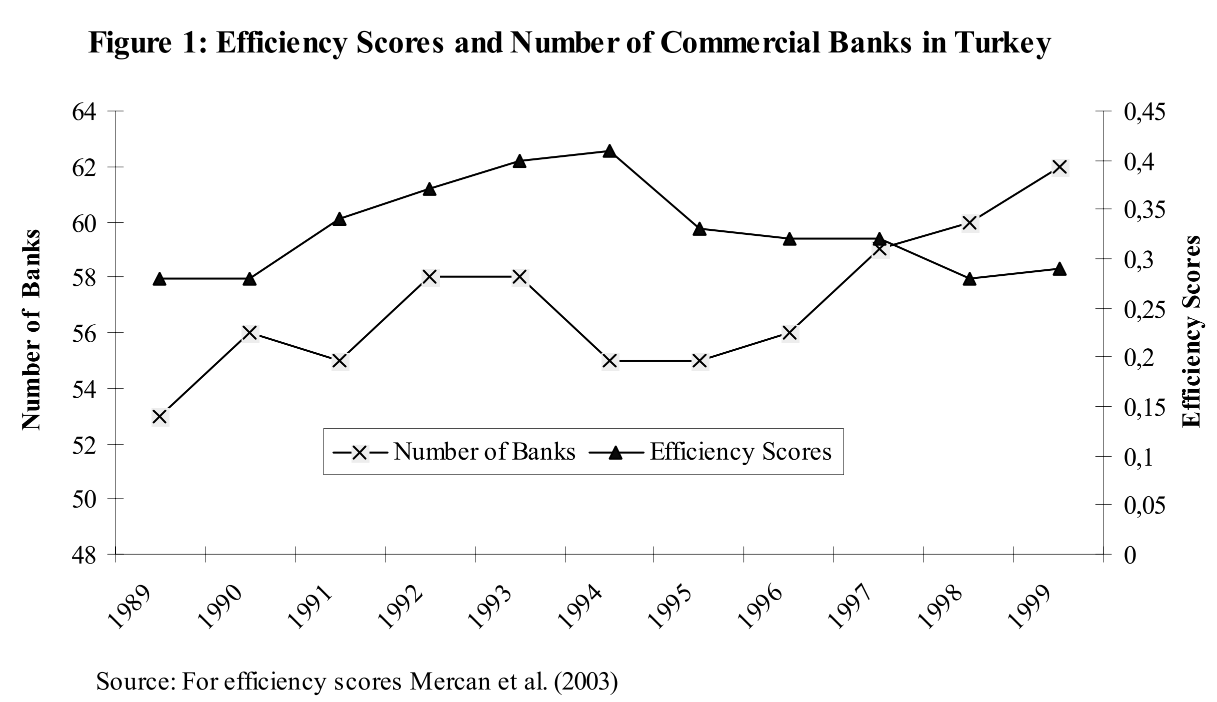
11. The 2001 economic crisis is the only period where economic crises experienced in Turkey and competition law practices intersected. Within this framework, clues as to economic crises in Turkey and competition law practices can be found in the assessment to be made under the 2001 crisis.

12. In the post-2001 crisis period, with the exit from the system of the banks whose financial nature deteriorated, mergers/acquisitions among banks, changes experienced in market shares, and serious decrease experienced in the number of banks, concentrations in the banking sector increased. With the developments experienced on the way to economic integration with the European Union, financial groups' showing interest in the banking sector, which had a foreign origin also increased the mobility. There exist studies that with the restructuralization experienced in the sector, elimination of unlimited deposit guarantee, strengthening of legal regulations, avoiding from excessive risk-taking behaviour, and productivity increase in the sector enhanced efficiency in the banking sector despite the concentration in question[3].

3.1 Bank Concentration, Competition, Efficiency, and Business Stealing Effect

13. As asserted by Vickers (1995), competition could enhance efficiency: i. by sharpening incentives to avoid sloth and slack; ii. by causing efficient organizations to succeed at the expense of inefficient ones; iii. by promoting innovation to create differences as compared with competitors. However, one should question, as asserted by Vickers (1995): "does more competition, in the sense of more firms, improve productive efficiency?" The answer depends on whether organizational, financial, and technological structures of firms in markets are symmetric or asymmetric. Because the negative externality that an additional entrant imposes on existing firms by taking (stealing) business from them will outweigh the positive externality to consumers in terms of lower price. Vickers concludes that if all firms are assumed to be symmetric, competition cannot enhance productive efficiency, by analyzing various possible differences of unit cost levels between incumbent and entrant firms. If the entrant has a higher cost than what the incumbents have, the net externality of entrance is zero because entrants will shut down. On the other hand, if the entrant and one of the existing firms have a lower cost than what the other incumbents have, the net externality of entrance is positive because at least one of the incumbent firms will end up producing. Various things could happen between these extreme cases.

3 See. Yayla, M (2007). "Türk Bankacılık Sektöründe Yoğunlaşma ve Rekabet: 1995-2005" ("Concentration and Competition in the Turkish Banking Sector: 1995-2005"), Bankacılık ve Finansal Piyasalar (Banking and Financial Markets), Volume 1, issue 1. According to the findings of this study, despite the fact that concentration increased in the Turkish Banking sector in the 2000-2005 period, net interest margin tended to fall.



14. Figure 1 shows developments in the number and efficiency scores of commercial banks during 1990s. Especially after the crisis of 1994, there was a rapid increase in the number of commercial banks from 53 in 1989 to 62 in 1999. Mercan et al. (2003) utilize linear programming-based technique (Data Envelopment Analysis, DEA) and fundamental financial ratios selected according to the CAMEL approach to assess the relative performance of commercial banks in Turkey in the 1989-1999 period. The study concludes that the overall efficiency measure for the sector in the 1989-1999 period had an increasing trend until the 1994 crisis with a reversal from then on. According to the findings of the study, the evaluation of efficiency in the Turkish banking sector was very much dependent on the mode of ownership, and size. The differences in financial performance between sub-groups (large, medium and small- scale by size) of private banks could be attributed to the dissimilarity of their funding decisions.

15. After the liberalization of capital movements in 1989, medium and small-size banks with fewer branches than large-scale banks gained access to foreign funds between 1989 and 1994. Nevertheless, after 1994 crisis, foreign creditors showed a reluctance to extend credit to Turkish banks. Medium and small-size, mostly *de nova* banks started to compete (or steal business from) in deposit markets with large-scale banks.

16. Despite the general belief that *de nova banks* operate more efficiently than incumbent banks, newcomers could not outperform incumbent banks in the long run in the Turkish case. Supporting this opinion, Işık and Hassan (2002) assert that consistently falling efficiencies over time resulted from increases in the cost of funding and growth of banks in 1990s. On the other hand, in a recent study, Işık (2008), employing a non-parametric frontier method to investigate the technical X-efficiency and productivity growth of *de novo* banks *vis-à-vis* established banks in Turkey during 1981 to 1996, shows that although *de nova* banks could outperform established banks in the short run, because of the quite limited economies of scale opportunities from expanding production scales in the Turkish banking market, diseconomies of scale issues begin to emerge as banks approach the age of ten [4]. The study investigates

4 On the other hand Alper and Öniş (2003) state that the entry of new banks in itself should not be interpreted as a negative development. The granting decisions as to new bank licenses were influenced by

separately the effects of foreign and domestic entries and suggests that banking authorities, especially in emerging markets like Turkey, may use foreign entries to boost the efficiency performance of their banks, since foreign entries are both more efficient and register faster productivity growth than domestic entries. In line with this suggestion, the sector share of foreign banks in total assets, deposits and loans increased respectively from 3%, 2%, and 4 % in 2002 to 16%, 14%, and 19% in 2007 after the restructuring process[5].

3.2 Competition Law Enforcement

17. As mentioned above, mergers and acquisitions in the banking sector where market share of the parties, calculated in terms of total assets, is below 20% are excluded from the jurisdiction of the Turkish Competition Authority (TCA). The reason for such an exception is basically related to the urgency of measures to be taken and the time required for merger review under the TCL. In this regard the necessity of intervening in systemic problems in the banking sector in short time and of concluding the transaction as soon as possible in the crisis period prepares the ground for the regulations in this respect.

18. As stated by both international[6] and official reports[7], this exception limits enforcement of merger control rules in the banking sector. One of the targets of the Banking Restructuring Program was to strengthen the regulatory framework to enhance competition and efficiency in the banking industry. But the regulation referred to has been preserved even after the banking sector was made to reach a healthy structure, in equal wording, even after the emergency passed. In this respect, the analysis responsibility of whether any merger proposal would restrict competition has been supposed to belong to the TCA. This conflicting regulation which could be reasonable and justified to an extent in time of crises, could in normal times hinder the TCA's efforts to promote competition. And furthermore, this situation has been the subject of miscellaneous criticisms. For example, in the 2000 and 2005 review reports of the OECD as to Competition Law and Policy in Turkey, it is recommended that the consideration of competition policy in concentrations in the banking sector be re-established.

19. However, despite the existence of such an exception from merger review, the TCA enforced the competition rules actively. The Competition Board examined and finalized all complaints and similar applications regarding the practices of undertakings in banking services. While examining these cases, the TCA made an analysis of alleged infringement on the basis of competition rules without any other concern. Thus TCA opened further investigation where it saw a possibility of serious infringement and/or sent formal opinion to the relevant undertaking to restore competition where it is distorted. Thus the TCA kept its enforcement activities in financial markets despite the existence of economic crisis.

---

political priorities and this generated perverse outcomes not only on the banking sector but also the economy at large.

5 According to the BRSA figures, as of March 2008, the share of public capital in the Turkish banking sector is 25,2% and the share of private capital is 34,8%. On the other hand, according to the calculations made regarding banks stock transfer process over the same period and considering new foreign capital investments made in different rates, the share of global capital in the Turkish banking system is 26%. When stocks held by foreign residents (14% stock market shares) are added to this ratio, the total foreign capital share becomes 40%.

6 EC, 2008 and OECD, 2005.

7 SPO, 2005.

4. Lessons learnt from the turkish financial crises and restructuring process

20. Costly 2000-01 financial crises that occurred in Turkey provide striking lessons in terms of (in)efficiency and (in)stability (dis)advantages. Due to the restructuring process initiated to restore the health of the Turkish banking system, the Turkish economy has suffered less from the global financial crisis, as compared with the financial system of many developing countries, even the developed world. The first major lesson learnt from the 2000-01 crises is the vital importance of prudent regulations and effective supervision to stabilize markets and support competition. The second lesson is about the measurement of competition and efficiency in (financial) markets. Structural measurements such as the HHI and bank concentration ratios do not always provide clear guidance to analyze and evaluate (anti)competitive developments in the relevant geographical and product markets. Finally, state aids granted to rescue and restructure banks in difficulty and to reinvigorate confidence can themselves be a source of systemic risks by triggering moral hazard and adverse selection, and distort the level playing field by discriminating among financial institutions.

4.1 State Aid: Full Deposit Insurance and Moral Hazard

21. Although it has been her responsibility after having committed to comply with the EU state aid control regulations which envisage the supervision of state aid regulations of the Member States in terms of whether the proposed regulations would potentially restrict competition, Turkey does not have any such legislation. Moreover, there has been no general framework legislation like the EU equivalent: State Aid for Rescuing and Restructuring Firms in Difficulty. Despite the lack of the evolutionary mechanism for proposed and implemented state aid measures, it could be assumed that the most frequently implemented subsidies have been capital injections, tax incentives and deposit guarantees.

22. The 1994 crisis forces authorities to take dramatic measures to save the banking system from collapse. The most controversial one among others was the full deposit insurance scheme introduced to curb bank run[8]. However, the fear of new financial crises prevented authorities from abandoning this supposedly temporary measure. The full deposit insurance which had caused moral hazard remained in force until the financial crises of the 2000-01. The full deposit insurance scheme led banks to offer higher interest rates to depositors and tolerated the development of an unhealthy banking industry. Finally, full deposit insurance was converted into full guarantee for all liabilities of banks to prevent bank rushes and deposit shifts from private banks to public banks in the crises of the 2000-01.

23. Government guarantee over savings deposits hindered the improvement of competition in the banking sector, and encouraged banks' tendencies towards adverse selections. The credit rationing in the Turkish banking sector broadly relied on sister-company lending as one can argue that many large corporations - benefiting from deregulation - bought or established new banks to seize cheap credit opportunities[9]. However, the lack of fair competition catalyzing bad governance and moral hazard

---

8 This scheme has been controversial because as generally accepted in the banking literature, it causes agency problems in the form of moral hazard which induces banks to take greater risks, since they know that a state-financed safety net to catch them is available if they fall. The deposit insurance scheme reduces incentives of depositors to monitor banks closely by insulating them from defaults. Accordingly, a full insurance scheme encourages depositors and in turn banks to accept higher interest rates even if these real returns are associated with higher default risk.

9 Although there is a widespread belief that asserts banks mainly financed their sister companies or affiliations, this belief could not be quantified because of the insufficient statistics. The ratio of "the indirect credit/equity capital" has been reduced from 75% to 55% by amendments to the banking legislation in 2003. That means banks can supply credit to their sister companies or affiliations as much as 55% of their equity capital after the amendments. On the other hand, the State Supervisory Council asserts in its report (2003/1) that contrary to these legal limitations, some banks rationed over 80% of their total

problems in the banking sector, which had been tolerated until the end of 1990s, were the major impediments for banking institutionalization and subsequently imposed a huge burden on Turkey, in terms of less output and higher public debt burden arising from the rehabilitation of the sector (CBRT, 2002). Finally, the coverage of deposit insurance was limited to enhance effective competition in 2004.

5. 2008 global crisis and Turkey

24. The difference of the 2008 crisis from the other crises is that this crisis is exactly a global crisis and affects all countries in the world. It is emphasized that in the origin of the global crisis which first exploded in the USA in September 2007 and later spread to the whole world in waves, there lies the largest real estate and credit balloon of the history.

25. Unlike the crisis in 2001, in the existing situation, a problem that would cause crisis is indeed not in question in balance sheets of banks in Turkey. Thanks to the legal regulations in the banking sector after the 2001 crisis, the banking sector presents a sounder structure as compared with what it was in the past. This situation forms the most important difference that distinguishes Turkey from the other countries. According to the BRSA data, while the legal equity rate as of November 2008 increased, a decrease has happened in the risk-weighted items. In this period, capital capability standard ratio rose to the level of 17,53%. Furthermore, together with a decrease in syndication and securitization credits in this period, resources secured from abroad entered into a process of decrease. In this development, liquidity problems experienced by financial agencies themselves that are in a plight due to the global crisis have been influential.

26. According to the findings of the Banking Sector Manager Segment Expectation Survey of the BRSA, in respect of January-March 2009, bank managers do not expect an increase in credits originating from abroad and in the foreigner share in the banking sector, consider that the deterioration in macroeconomic conditions would adversely affect the sector (87%), highlight the foreign capital entry (45%) and macroeconomic developments (39%) among the factors that would develop confidence in the banking sector, point out credit risks as the most important source of risk (87%), and believe that these risks would progressively increase (74%). Besides all these, the narrowing of demand in export markets of Turkey may adversely affect export, the manufacturing sector, employment, and eventually internal consumption by the narrowing of consumption. Consequently, due to the global crisis, there would be a narrowing in fund transfer that would arrive to Turkey from abroad and that is needed by Turkey, and this would put one into tightness in liquidity in the financial system.

27. For purposes of diminishing the adverse effects of the global crisis on the Turkish economy, a joint stability program is being studied with the IMF. On the other hand, with a view to generating a solution to the liquidity problem experienced in markets, the Central Bank resorted to interest reduction and commenced to inject liquidity into the market through monetary policy instruments. The Central Bank primarily resorted to reductions in its own policy interests beyond expectations. Besides this, against the likelihood that the problems experienced in the recent periods adversely affect the Turkish banking system, the Bank pursued an active policy, it took measures particularly directed at efficient functioning of the foreign exchange market and supporting the foreign exchange liquidity. Within this framework, it commenced the transactions of the interbank Foreign Exchange and Banknotes Markets Foreign Exchange Deposit market operated through its agency. It increased the transaction limit of banks in this market. The maturities of foreign exchange deposits that can be provided by the Central Bank to banks have been extended and their interests have been lowered. In addition to these measures, an additional foreign

credits to companies of the controlling shareholders by using fraudulent transactions such as “fiduciary loans” and “back-to-back credit rationing between collusive banks”.

exchange liquidity was provided for the banking system by resorting to a reduction in the foreign currency required reserve ratio.

6. Concluding remarks

28. The literature of industrial economics shows that as is the case in the other sectors, competition in the banking sector is an essential mechanism to improve welfare (Frexias and Rochet, 1998:51). As such, the Turkish reform strategy was to promote financial market development through deregulation and inducing competition and by easing entry into the banking sector since 1980s. Opening up the banking system to foreign competition was seen as an important element of enhancing competition (Atiyas and Ersel, 1996). However, reformers have paid less attention to enact and enforce required rules and institutions other than entry facilitations to promote and protect competition. The required institutional framework of a country to promote competition and efficiency and to protect stability and solvency in the financial system should comprise good quality legal infrastructure, and evolutionary capabilities and accountabilities of public agencies responsible for providing a level playing field in financial markets.

29. In Turkey, the culture of competition law and policy is quite new as compared with many countries. On the other hand, the culture of crisis (!) is quite established. In the post-1980 period, Turkey experienced a large number of economic crises some of which stemmed from external shocks and some from internal imbalances. And the only crisis experienced since the period when the TCL was commenced to be applied actively has been the 2001 banking crisis. This crisis which stemmed from the fragileness in the banking sector led to a foreign exchange crisis at the same time. The first area where competition law and economic crisis met has been the banking sector. In this period, with a justification for urgent intervention, concentrations in the banking sector have been excluded from the scope of the TCL. But the exception article in question has also been preserved in the period after the crisis. The policy preference referred to is remarkable also in terms of showing the attitude of policy-makers and economy bureaucracy in Turkey in believing competition and virtues of competition policy.

30. It is considered that competition policy should be absolutely regarded in processes of forming micro and macro policy alternatives to be applied in combating a crisis. For example, representing competition authorities as well in various structures where macro economic policies are formed and coordinated, in other words, making these processes gain a competitive policy viewpoint would aid economies to reach stable growth targets in the medium and long term. Furthermore, the suggestion in question becomes more essential in countries like Turkey where competition culture has not established itself particularly in the management of economy.

31. Just as it is wrong that people and organizations responsible for the management of macro-economic policies act without regarding competition policies in practices performed by them in the financial crisis medium, competition authorities' not taking place in financial crises actively and not possessing sufficient preparation as to these matters are likewise one of the basic deficiencies. In this regard, despite the economic development-focused goal of competition law and policy, the deficiency of not regarding competition policy in general economic regulations demonstrates itself in the processes of experiencing and preventing crises as well.

32. Moreover, the request to apply competition laws in a more flexible manner, which is among the precautions that first occurs to the mind in periods of crisis also carries to serious dimensions the peril that sectors, independently of financial markets and crises, continuously raise this situation with the pretext of entering into a crisis. And the extreme examples of this situation are straightforwardly exempting competition laws from being applied to certain transactions and sectors. The regulation made in the Banking Act in the 2001 crisis in Turkey, and approaches that push the supervision of competition to a

secondary position in merger control in the other countries in the 2008 global crisis are concrete and dangerous examples of this situation.

33. In this regard, it should also be taken into consideration that such kind of regulations made with a justification for ensuring economic stability in the short run would complicate in the long run reaching benefits expected from competition policy and may actually harm economic growth.

REFERENCES

Alper, C. E. and Z. Öniş, (2003). "The Turkish Banking System, Financial Crises and the IMF in the Age of Capital Account Liberalization: A Political Economy Perspective", *New Perspectives on Turkey,* N. 30.

Atiyas, I. and H. Ersel, (1996). "The impact of financial reform: The Turkish experience", (Editors: Caprio G., İ. Atiyas, and J. Hanson), In Financial Reform: Theory and Experience, Cambridge University Press, Cambridge.

Banking Regulation and Supervision Agency-BRSA (2006). *Structural Developments in Banking.* Issue 1, December.

Banking Regulation and Supervision Agency-BRSA (2009). *Expectations Survey of Bank Managers.* Issue 14.

European Commission-EC (2008). 2005 *Regular progress report for Turkey*, Brussels.

Freixas, X. and J. C. Rochet, (1998). Microeconomics of Banking, The MIT Press, third edition, Cambridge.

Central Bank of Republic of Turkey–CBRT, (2002). The Impact of Globalization on the Turkish Economy, Ankara.

Işık İ. and M. K. Hasan, (2002). "Technical, scale and allocative efficiencies of Turkish Banking industry", *Journal of Banking and Finance*, 26(4), pp. 719-766.

Isik, I. (2008). "Productivity, technology and efficiency of de novo banks: A counter evidence from Turkey", *Journal of Multinational Financial Management,* 18(5), pp. 427-442.

Mercan M., A. Reisman, R. Yolalan and A.B. Emel, (2003). "The effect of scale and mode of ownership on the financial performance of the Turkish banking sector: results of a DEA-based analysis", Socio-Economic Planning Sciences, 37(3), pp. 185-202.

OECD (2005). *Competition Law and Policy in Turkey*, Paris: OECD.

Özatay, F. and G. Sak, (2002). "The 2000-2001 Financial Crisis in Turkey". Paper presented at the Currency Crisis Conference of the Brookings Institution, May 2002, Washington, D.C.,

http://www.brookings.edu/es/commentary/journals/trade/papers/200208_ozatay.pdf (accessed on January 12, 2009).

State Planning Organization-SPO (2005). Ninth Development Plan, Competition Law and Policy Report of Special Ad Hoc Committee.

Steinherr A., A. Tükel and M. Üçer, (2004). "The Turkish Banking Sector, Challenges and Outlook in Transition to EU Membership", The Centre for European Policy Studies, EU-Turkey Working Paper, N. 4.

Vicker, J. (1995). "Concepts of Competition", Oxford Economic Papers, 47(1), pp. 1-23.