

# **OECD INTERNATIONAL OF REGULATORY INITIATIVE IN SOUTH EAST EUROPE**

**Seminar on Regulatory Governance:  
The use of Regulatory Impact Analysis to Foster  
Economic Efficiency and Policy Coherence**

**Regulations through the Ages: South East Europe`s  
Opportunity for a New Departure?**

**By**

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# HISTORICAL OVERVIEW

500 B.C. – 1500 A.D.

- Small governments/administration even in Empires – decentralisation
- Weights and measures
- Distribution/sales of goods
- Duties and tariffs
- Shipping
- Sumptuary laws/regulations
- Taxations – collection often irregular and/or outsourced
  - o Local taxation
  - o Regulation of lord/tenant/serf relations
  - o Ecclesiastic taxes, regulations
- National Security –
  - o Conscription/feudal military obligations
  - o Road Maintenance
  - o Fortifications

1500 – 1792

- Centralisation
  - o Emergence of the modern state
  - o Age of Enlightenment
  - o Industrial Revolution
  - o Ideological base for *laissez faire*
  
- Deregulation
  - o Abolition/disappearance of forced labor (*Corvee*)
  - o Disappearance of sumptuary laws
  - o Liberalisation of internal trade barriers
  - o Disappearance of conscription for land forces
  - o Decline/amalgamation of ecclesiastic taxes, obligations

1500 – 1792

- Increased Regulation
  - o Taxation
  - o Mercantilism – emergence of regular Customs organizations and forces
  - o Protectionism – paradoxical growth of international trade
  - o Shipping
  - o Land registration and usage
  - o Beginning of consumer and labor protection laws/regulation

## 1792 – 1914: Expansion and Industrialisation

- Impact of Napoleonic Wars
- Improved communications
- End of Absolutism – emergence of totalitarian ideologies
- Increased Regulation
  - o Professional civil service
  - o Progressive taxation
  - o Land transport
  - o Welfare
  - o Health
  - o Public education

## Since 1914: The Age of Pervasive Government

- World War I: Total mobilization and state control – Big Government
- Only partial liberalization after WWI
- Emergence and growth of Welfare State
- Regulation of financial sector
- Slow decline of Welfare State from 1980
- Growth of health, environment, consumer protection legislation
- Unsustainably high taxation
- A new Social Contract?

## Regulatory Impact Issues

- Cost vs. benefits
- How to measure?
- Objective and/or subjective elements?

## Private Sector Concerns

- Consultation in drafting and implementation
- Transparency
- Level playing field/fairness issues
- Ease of comprehension, compliance, administration
- Timing of introduction: gradual is better
- Cost of compliance
- Hidden political agendas