

# IDC not neutral party

**SIR** — Competition law in SA is an exercise in political hypocrisy — or so it appears.

The government wants entry into the steel industry. The Industrial Development Corporation (IDC) is busy taking over Anglo's remaining steel interests — Scaw Metals and Consolidated Wire Industries, companies mired in competition issues. The IDC's partners are powerful African National Congress and black economic empowerment figures.

The joint ownership of Consolidated Wire by Scaw Metals and ArcelorMittal SA — two of SA's biggest steel mills — is anticompetitive, an anachronism needing correction, if competition is to have any meaning.

The Competition Commission has already agreed the transfer of this unacceptable structure, subject to certain "remedies" being debated at the tribunal and based on the premise that "it is an existing structure". The fact that declining the merger would rectify this anticompetitive structure is missed completely. The commission seems to be trying to slip this through the tribunal, in what appears as "a behind the scenes fix".

The IDC is far from being a neutral and unbiased party and is busy researching new steel-making techniques for its own commercial purposes. SA's competition authority is clearly not what it pretends to be.

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