



BOĞAZIÇI MUN 2026

OECD STUDY GUIDE

Agenda Items:

- 1)** Enhancing Transparency in Public Spending and International Investments
- 2)** Strengthening fair competition in global digital economics

Under Secretaries-General: Berat Koyuncu,
Doğa İnce

Academic Assistant: Hakan Rüzgar Kocaoğlu



Table of Contents

Agenda Item 1

- 1. Introduction to the Committee**
- 2. Introduction to the Agenda Item**
- 3. Keywords**
 - 3.1 Foreign Public Officials**
 - 3.2 Ad-Hoc**
 - 3.3 Due Diligence**
 - 3.4 Shell Company**
 - 3.5 Transparency**
 - 3.6 Bid Rigging**
 - 3.7 Split Contracts:**
 - 3.8 Ultimate Beneficial Owner(UBO)**
 - 3.9 Out of Court**
 - 3.10 Illicit Financial Flow (IFF)**
 - 3.11 Slush Fund**
- 4. Historical background**
- 5. International Frameworks and existing mechanisms**
 - 5.1 OECD Anti-Bribery Convention**
 - 5.2 OECD Guidelines for Multinational Enterprises**
 - 5.3 OECD Recommendation on Public Integrity**
 - 5.4 Automatic Exchange of Information (AEOI)**
- 6. Challenges and causes of corruption**
 - 6.1 The argument for “Leveling the playing field”**
 - 6.2 Complexity**
 - 6.3 Digital Economy**
 - 6.4 Unusable/Overcrowded Data**
 - 6.5 Bribing of Intermediaries**
 - 6.6 Shadow Banking**



BOĞAZIÇİMUN 2026

- 6.7 Golden Visa Programs
- 7. Some Case Studies
 - 7.1 Germany Siemens Scandal
 - 7.2 Pandemic procurement
 - 7.3 1MDB
- 8. Possible solutions
 - 8.1 Improved Reporting Mechanisms:
 - 8.2 Country-by-Country Reporting (CbCR):
 - 8.3 Collective Pacts:
- 9. Questions to be Answered
- 10. References

Agenda Item 2

- 1. Introduction to the Economics: Competition, Trade and Digital Economics
- 2. Introduction to the Agenda Item 2: Strengthening Fair Competition in Global Digital Economics
- 3. Structural Features of Digital Markets
 - 3.1 Multi-Sided Platforms and Digital Ecosystems
 - 3.2 Network Effects and Economies of Scale and Scope
 - 3.3 Data as a Source of Market Power
 - 3.4 Examples Related to the Structural Features
- 4. Key Challenges to Fair Competition in Digital Markets
 - 4.1 Data Advantage and Information Asymmetries
 - 4.2 Algorithmic Pricing and Risks of Tacit Collusion
 - 4.3 Switching Costs, Lock-In Effects, and User Dependency
 - 4.4 Killer Acquisitions and the Suppression of Nascent Competition
- 5. Market Power in the Digital Economy
 - 5.1 Limitations of Traditional Market Share Analysis
 - 5.2 Gatekeepers, Bottleneck Power, and Strategic Market Status
- 6. Global Regulatory Landscape: OECD Perspectives vs. Regional Approaches
 - 6.1 OECD Analytical Framework on Digital Competition
 - 6.2 European Union: DMA and DSA
 - 6.2.1 The Digital Markets Act (DMA): Controlling the Gatekeepers



BOĞAZIÇİMUN 2026

6.2.2 The Digital Services Act (DSA): Transparency and Algorithmic Safety

6.3 G7 and Other Jurisdictions: Ex Post Enforcement Models

6.3.1 The United States

6.3.2 The United Kingdom

6.3.3 Developing Economies and the “Digital Divide”

7. The Roadmap to Strengthening Fair Competition

7.1 Moving from Punishment to Prevention

7.2 The Three Pillars of a Stronger Digital Economy

7.2.1 Pillar I: Data Democratization and Portability

7.2.2 Pillar II: Pillar II: Technical Interoperability

7.2.3 Pillar III: Modernizing Merger Control

7.3 The Next Frontier: Artificial Intelligence (AI)

7.4 A Call to Action

8. Questions to be Addressed

9. Bibliography



Letter from the Secretary-General

Meritorious Participants,

I am Duru Yavuz, a senior Political Science and Sociology student at Boğaziçi University. As the Secretary-General, I would like to welcome you all to the 8th official session of BoğaziçiMUN, BoğaziçiMUN'26.

Our academic and organizational teams have been working endlessly to ensure the best BoğaziçiMUN experience for our participants. I would like to begin by thanking our Deputy Secretaries-General, Ömer Alp Şiringöz and İpek Şen for their efforts, support and friendship. And the biggest of thank you's goes to our Director-General and Club co-Coordinator Kaan Berker and our Deputy Director-General Ekin Asyalı, this conference would not be what it is without their ambition and hard work. I would also like to thank our Club co-Coordinator İrem Ayber for all her help in both academic and organizational capacities.

BoğaziçiMUN has always been a ground where we aim to achieve academic and organizational excellence, but it has also been a place where old friends get to gather and work towards a common goal, even if it is in the middle of a snowstorm. In our experience as a club and as a conference, we have broken and reshaped barriers, we have learned what it means to be in a close-knit team, we have looked to the past and embraced our legacy, and we have looked to the future to envision an improved BoğaziçiMUN.

Throughout the years, we have gained new experience, knowledge, and strength; and found a sense of community in our members and participants. In each BoğaziçiMUN; we have seen you, our participants, learn and grow with us; expanding your knowledge of international relations, world politics, and history. It was this growth and the chance to witness your dedication and curiosity that have inspired us to continue improving BoğaziçiMUN every single year. And because we get to see your enthusiasm, because we get to engage our participants' minds with the pressing issues of our time, our efforts are made worthwhile. This year, we have prepared for you a wide range of unique committees and agenda items, all



BOĞAZIÇİMUN 2026

thanks to our wonderful Under Secretaries-General who have worked closely with our academic team to bring fresh perspectives and discussions to the conference.

After months of preparation on top of our years of foundational experience, BoğaziçiMUN is finally ready to open its doors to you and ‘Bridge the Gap’ once again this February. At the intersection of diplomacy, international relations and creative decision-making, BoğaziçiMUN stands as a chance to take matters into your own hands. Let us embark on this mission together and broaden our horizons as well as our community. It is my utmost honor to welcome you all to BoğaziçiMUN 2026, I hope to meet you soon.

Kind regards,

Duru Yavuz

Secretary-General of Boğaziçi MUN 2026



Letter from the Under Secretaries-General

Dear Delegates,

We sincerely welcome you all to the BoğaziçiMUN'26 and OECD committee. Our main goal regarding agenda items was to increase your awareness about the economic problems of our world. While the problems themselves are evolving and becoming more complex in the current world's agenda, it is not only our duty but also our responsibility to improve and evolve our economic understanding. That is why we not only selected this committee but also these agenda items for you.

Most states collect taxes from their citizens not only on their income or the goods they purchase, but also indirectly through services or infrastructure that they may never personally use, such as bridges they have never crossed. For this reason, transparency in public spending and international investments is essential to ensure accountability and public trust. At the same time, as the world becomes increasingly digital, competition in the global economy grows more intense. Digital markets often operate within legal and regulatory gray areas, allowing unfair competitive practices to emerge and expand. Therefore, strengthening fair competition in the global digital economy has become a crucial priority for sustainable and inclusive economic growth. Our main expectation in the debate is to create more “clean policies” for the “dirty” environment of opaque spending and violent competition.

Because in the end; big money never comes clean, and clean money never comes big.

Sincerely,

Doğa İNCE & Berat KOYUNCU

Co-Under Secretaries-General of OECD



BOĞAZIÇİMUN 2026

OECD STUDY GUIDE

Agenda Item 1: Enhancing Transparency in
Public Spending and International Investments

Under Secretaries-General: Berat Koyuncu,
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1.Introduction to the Committee: Organisation for Economic Co-operation and Development

Organisation for Economic Co-operation and Development is one of the organisations that is built to apply, shape, rework policies to better the lives of people’s social, economic and environmental well-being while also keeping everything fair for everyone involved within. OECD Consists of 38 member countries that are dedicated to stimulate the economy of nations and world trade. OECD members seek answers to common economic problems and current ongoing issues at hand. Founded in 1961 with the motto of “Better Policies for Better Lives” the OECD is different in the way that it primarily operates with data driven analyses on the frontlines. The scope of the OECD is extensive with solutions and recommendations in economic growth, social well-being, sustainability and fight against corruption. The OECD helps countries rebuild and reshape for the better, globally.

2. Introduction to the Agenda Item

This agenda item is one that is required for all other economic parts to function. Enhancing the transparency should not be just seen as an “ethical” issue, but more than that. Transparency is crucial in the fight against corruption and preservation of integrity in the economy of all nations related to it. Transparency in public spending ensures that the tax collected from the nation in which their people reside is used efficiently. Even though transparency does not directly add to the value of how well a taxpayer money is used, it gives accountability to the government on how they spend the money on where which directly affects how an income is spent by the nation. There are many issues that can be tackled in this context, such as bid rigging in which competitors agree on prices beforehand to control the bidding process, split contracts or other methods of complicating the transactions processes and tailoring requirements or needs for certain bids, works etc. to basically help a business owner win the contract and many more. With the investments, the situation is also much similar in terms of holding accountability. This time in terms of how the capital flows across borders with which intent and also how and why. The intent in which the spendings or investments are made is crucial in understanding the motive and meaning behind the money spent. Without transparency in international investments, corruption in ways like bribery, illicit flows and corruption is there to follow suit. The OECD focuses on these concepts



because corruption is a key factor that disrupts the market and makes it untrustworthy to basically everyone involved with the economy of that sector and sectors which are related. The agenda item combines the two closely related subjects which are most prominent in terms of factors which increase corruption and tackles them together to enhance transparency in the overall market structure of OECD members.

3. Keywords

3.1 Foreign Public Officials: A foreign public official is any person who holds a legislative, administrative or judicial office of a country.

3.2 Ad-Hoc: Latin meaning “for this”. In the context of the committee, it refers to anything created for a specific purpose and for temporarily.

3.3 Due Diligence: The investigative process that takes place before an official enters into an agreement or transaction with any other party.

3.4 Shell Company: It is a company that does not have any significant activities and just exists “on paper”. Mainly used for money laundering or other illegal purposes.

3.5 Transparency: Availability of information. In the context of the committee, it refers to transparency of government contracts, biddings, corporate transactions etc.

3.6 Bid Rigging: It is a fraudulent way of making bids in such a method that the biddings are not competitive, which defeats the purpose of the bidding procedure. It occurs when individuals or corporations cooperate with each other for fixing the price on a bidding.

3.7 Split Contracts: The division of contracts of high volume into smaller ones with the aim of avoiding rules governing big tenders.

3.8 Ultimate Beneficial Owner(UBO): A natural person who is ultimately responsible for, owns, or controls a customer and/or a natural person on whose behalf the transaction is being conducted.



3.9 Out of Court: Refers to resolving legal disputes or financial distress through private negotiations without any involvement from the judicial system. This is common in corporate reorganization and civil fraud settlements. Parties may prefer this to avoid publicity.

3.10 Illicit Financial Flow (IFF): It is the movement of money or capital that is illegally earned, transferred or utilized from one country to another. This includes earning from criminal activities, commercial tax evasion and funding for terrorism.

3.11 Slush Fund: This refers to an unregulated or secret reserve of money that is to be used for illicit purposes such as bribery, political payoffs, or purchasing influence.

4. Historical background

Formally known as Organisation for European Economic Co-operation (OEEC) was originally formed to administer American and Canadian aid under the Marshall Plan for support of European countries after World War 2. The OEEC consisted of only 18 members and the main focus was to administer the aid from the Marshall Plan. The rebuilding efforts of the Marshall Plan were effective and helped the European economy to get back on their tracks. OEEC sought to support nations beyond the original scope and wanted to expand it. After the convention in Paris on 14 December 1960, the original name we know of was set in place as the OECD. After the changes and further development, the OECD grew to a total of 38 members from all around the globe.

5. International Frameworks and Existing Mechanisms

5.1 OECD Anti-Bribery Convention: Signed on 17 December 1997 and came into effect on 15 February 1999, The OECD Anti-Bribery Convention was one of the crucial steps taken by the OECD to combat bribery of foreign public officials. The convention is a legally binding agreement to all nations that signed on it to criminalize the acts or offers of bribery to foreign public officials from both companies and individuals. This makes for a fair space in the business environments and ensures fair play. Even though the OECD cannot intervene in nations on implementation of the convention, they can monitor and the countries are



responsible for proper appliance of the rules. The OECD Anti-Bribery Convention has been signed by all 38 members of the OECD.

5.2 OECD Guidelines for Multinational Enterprises: These are a set of government-backed recommendations promoting the Responsible Business Conduct (RBC) globally. While these are non-binding and voluntary for companies, signatory states shall comply with the agreement and are obliged to promote the standards. The Guidelines covers a huge variety of topics on business ethics which includes standards on human rights, labor relations, environmental protection and a ban on bribery and slush funds. They are accompanied by National Contact Points (NCPs) which act as a mediating institution and handle complaints when companies fail to comply with the standards.

5.3 OECD Recommendation on Public Integrity: Adopted in 2017, the OECD Recommendation on Public Integrity acts as a blueprint for policymakers which lays out a strategy for public integrity. These recommendations imply a shift from a rule-based strategy to a value-based strategy in fighting corruption, transforming the anti-corruption campaign into a plan prioritizing to prevent unethical practices. According to the Recommendation, there are three elements: System (coherent rules), Culture (ethical leadership) and Accountability (effective control). These work together to align decision-making with common good.

5.4 Automatic Exchange of Information (AEOI): This refers to a system which requires financial institutions and tax authorities to share the information of foreign nationals with their respective home countries. This differs from the past practice of requesting during investigations as AEOI relies on automatic and periodic transmission of taxpayer data such as investment income or account balances. The main instrument for implementation is the Common Reporting System (CRS) developed by the OECD. It aims to eliminate banking secrecy and tax evasion.

6.Challenges and causes of corruption

6.1 The argument for “Leveling the playing field”: One of the concerns of OECD is the way to ensure implementations of the laws and conventions they put out. Even though the



laws put out are for ensuring the well-being of nations and equal advantages for every business, not being able to effectively enforce the law or even be able to implement it on other nations makes it unfair for people who do abide by the rules and for those who do not. This can become a bigger issue when the members of the OECD actually get negative results from implementing such policies.

Another way of looking at this topic is that non-OECD nations might have an upper hand just because they do not have to implement such policies which makes companies from the non-OECD countries, in a way, more ideal for business owners. This can also have an effect on the consumer market. If a law is costly to implement for the business which resides in a nation from OECD, this might directly affect the prices in which they sell. This creates the possibility of consumers preferring other businesses to affiliate with which is not ideal for the business owners and a disincentive for nations to implement such policies.

6.2 Complexity: When there is a policy that is in plan to be implemented, there are many complex structures one has to take into account. Firstly, the complex structure of companies. Corporate structures can get very complicated and also different from one company to another which makes it very difficult for OECD members to implement policies without damaging a certain industry or market and even much harder to enforce the policies for nations since in the case of our agenda, transparency is hard to get when business owners hide beneficial owners behind corporate documents and lie about it when the issue arises. Strict policies are needed in an area like the corporate structure where anything can get more complex than it needs to.

The second problem that can be given as an example would be the legal structure which also is another issue. Each nation having their own legal structure can increase the complexity of implementing such wide applications.

One example which can be given is how some cases are settled out of court. This may be more efficient in the structure of law and dealing with the legal issue, this creates another block in the way of transparency for nations.

6.3 Digital Economy: Digital economy has been on the rise for the past years with gaining more traction and interest from investors, firms and even individuals who are not involved in the market. It is a staple for some and a dread for some people as well. Even though this is a



topic more embedded within the second agenda, digital economics is also a concern when it comes to ensuring transparency.

Most digital currencies are really hard to trace and are not centralized or governed by nations. This allows people more freedom but in turn, allows individuals with ill intent to use it in con-conventional ways for profit or more.

One of the crucial concerns in the context of our agenda in terms of digital economy is that digital economy can directly conflict with transparency and it is tough to implement any new



policies for these currencies. This makes cryptocurrencies and other digital assets a gateway for Illicit Financial Flows (IFFs) related to our agenda.

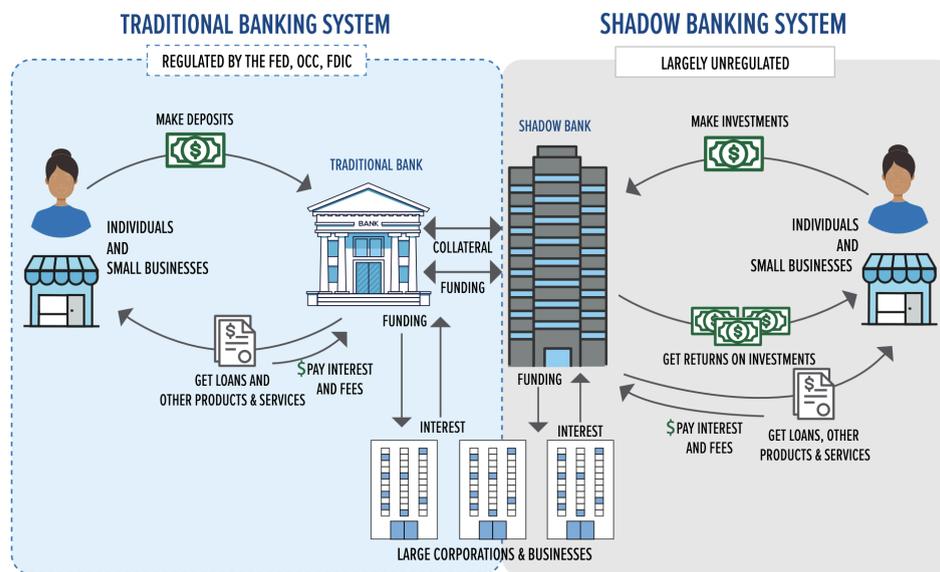
Figure 1. Total Crypto Market Cap From 2015 to 2025

6.4 Unusable/Overcrowded Data: Availability of data does not guarantee accountability or proper transparency in cases where data is not accessible or overwhelming. Unusable data refers to information provided in such a format that machines are not able to read them e.g. scanned PDFs. This prevents auditors and software to automatically detect fraud patterns. Overcrowded data refers to when corrupt actors release a massive amount of disorganized data without noting its relevance in order to bury illicit financial flows. Without proper

standards these tactics allow fraud to remain hidden in plain sights, rendering most transparency laws ineffective.

6.5 Bribing of Intermediaries: Corruption rarely manifests itself directly between a company and an official, instead it is mostly done through third-party intermediaries such as local consultants, agents, or distributors. Intermediaries are hired for seemingly valid contracts but the actual purpose is to channel bribes to foreign public officials. These are disguised as “consulting fees” or “commissions” in the corporate books, often funnelled through shell companies or slush funds. This provides the company with plausible deniability which in turn helps establish a claim to ignore the bribery. In an act to counter this, OECD emphasizes that the companies are liable for the actions of their agents and must perform due diligence on all third parties.

6.6 Shadow Banking: This refers to financial intermediaries which perform like banks with services of lending and investing but operate outside of the strict system of traditional banking. Unlike traditional banks, these are not subject to transparency requirements or oversight. This situation results in “dark corners” in the global economy where the tracking of the capital is difficult. As a result, shadow banking is often utilized as a vessel for illicit



financial flows. Using this, corrupt actors move funds and conduct money laundering without traceable paper trails required by standard banks.

Figure 2. Visual Representation of How Shadow Banks Work



6.7 Golden Visa Programs: Golden Visa also known as Residence or Citizenship by Investment, is a scheme allowing individuals to obtain residency or citizenship in a country in exchange for a significant investment. These aim to bolster economic growth in the host country however according to the OECD, it is a major vulnerability in the fight against corruption. Criminals or corrupt officials utilize these programs for money laundering, hiding financial assets in real estate deals and evading justice in their home countries. The main problem with these is that the programs are used to circumvent the CRS. For example, a wealthy individual can acquire a passport from a country with low tax jurisdiction to claim tax residency there, avoiding accountability to their actual country. This is why OECD emphasizes that financial institutions are to perform due diligence to correctly identify the true tax residence of the account holder.

7. Some Case Studies

7.1 Germany Siemens Scandal: In early 2000s a massive scandal involving Siemens happened in Germany.

Before the scandal, the reputation of Siemens was incredibly high with the technological prowess in many sectors they had, it was evident that they were one of the industry leaders.

For many years, Siemens had worked with a “business as usual” perspective while being involved in many bribery, specifically, with foreign officials. These made winning contracts easily by paying off the decision makers. They hid the expenses made on bribes by slushing the funds and having shell companies. The corruption involved more than \$1.4 billion in bribes to government officials in many parts of the world.

After the proper implementation of anti-corruption laws and OECD policies, the time for Siemens to give in to the demands of the officials had come. Siemens paid approximately \$1.6 billion in fines which was devastating for the business’s economic standing and reputation.

7.2 Pandemic procurement: During the COVID-19 pandemic, the UK government established a “High Priority Lane” to make the supply of Personal Protective Equipment (PPE) more quick and efficient.



The goal of this program was to quickly secure supplies; however, this program resulted in a parallel system where politically-connected companies were ten times more likely to win bids than established suppliers. The lack of transparency and due diligence resulted in significant waste; the National Audit Office and Transparency International revealed that billions of pounds were spent on PPE that was ultimately deemed unfit for use.

The High Court declared the lane unlawful, finding that it violated the legal principle of equal treatment. This serves as an example for how corruption easily emerges due to lack of transparency for the sake of speed even in times of global emergency.

7.3 1MDB: The 1Malaysia Development Berhad (1MDB) scandal is regarded as one of the world's largest financial frauds, involving over 4.5 billion dollars being embezzled from a Malaysian sovereign wealth fund intended for economic development with the assets being diverted globally by its perpetrators. The United States Department of Justice declared the incident as the largest kleptocracy case to date.

The investment bank, Goldman Sachs raised 6.5 billion dollars for the fund, enabling all of these operations. Despite numerous red flags regarding the management of the fund and the involvement of various politically-exposed persons, the bank prioritized its 600 million dollars in fees over compliance. They later admitted that this was a conspiracy to violate the Foreign Corrupt Practices Act (FCPA) by bribing officials with a total of over 1 billion dollars.

As a result, Goldman Sachs agreed to pay a record-breaking 2.9 billion dollars of settlement to global regulators. This is a crucial example to demonstrate the impact of shadow banking and the necessity of gatekeeping by financial institutions rather than facilitating corruption.

8. Possible solutions

8.1 Improved Reporting Mechanisms: Whistleblowing acts as one of the main ways to detect and counter corruption. However, individuals tend to remain silent due to fear or lack of trust. In an effort to address this, OECD proposed High-Level Reporting Mechanisms (HLRM) which is to serve as a communications channel for companies and individuals to



report bribery demands to an independent body. Instead of waiting for a criminal investigation which will last years, HLRM aims to allow for rapid alerts and the resolution of issues in the process itself. By ensuring anonymity and speed, this encourages the private sector to resist bribery and helps governments identify vulnerabilities in the system in the supply chain before funds are lost.

8.2 Country-by-Country Reporting (CbCR): Multinational enterprises (MNEs) shift profits from high-tax countries to low-tax safe havens to minimize liabilities. In an effort to counter this, the OECD established Country-by-Country Reporting (CbCR) under the BEPS Action 13, requiring multinational companies to provide a detailed report of their finances. This is to prevent companies from presenting consolidated figures to hide profit shifting. By making the data available, CbCR aims to significantly reduce tax evasion and illicit financial flows.

8.3 Collective Pacts: Collective Action is an effective tool in battling corruption in public procurement. The main instruments for the implementation of collective action are integrity pacts. An integrity pact is a written agreement between the government agency and the bidding companies. The content of these pacts cover a commitment by all parties to neither offer nor accept bribes and to comply with strict transparency standards throughout the process. A crucial component of these pacts is the inclusion of an independent monitoring entity which oversees the whole process, ensuring fairness. By establishing a clear standard and the penalties beforehand, these pacts ensure that honest businesses can compete with the quality and the price of their product rather than their openness to bribes.

9. Questions to be Answered

1. How should the OECD members enforce the standards on non-members of the OECD, particularly for major economies that directly affect the entire market structure?
2. Should the OECD implement global bans on certain procedures or laws to prevent certain strategies used for illicit purposes?
3. How can the OECD balance efficiency and transparency at the same time?



BOĞAZIÇİMUN 2026

4. What are the possible solutions for each level of economic capability seen in various different nations?
5. How can the OECD ensure proper implementation of policies enacted?
6. What role should the individuals involved in transparency play in terms of ensuring transparency?
7. How can the OECD ensure proper, effective and transparent communication between governments and businesses ?

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BOĞAZIÇİMUN 2026

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BOĞAZIÇİMUN 2026

OECD STUDY GUIDE

Agenda Item 2: Strengthening fair competition
in global digital economics

Under Secretaries-General: Berat Koyuncu,
Dođa İnce

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1. Introduction to the Economics: Competition, Trade and Digital Economics

Since the dawn of humanity, driven by curiosity, people have done various things. Sometimes this curiosity has led humanity to explore different places, sometimes to think, and sometimes to create. Economics is one of the most sacred products of human curiosity. Although, especially in today's economic outlook, economics is often associated with financial terms like money, inflation, and credit, it is actually something far more sacred. The fundamental reason for this lies in the definition of economics. While definitions in different literatures vary¹, the true definition of economics is "how we use our scarce resources." Of course, these scarce resources include concepts like money and credit; however, humankind's scarce resources are not limited to these. We can include everything that is fundamentally scarce, such as time, love, and opportunity, within the scope of economics and draw conclusions based on economic ideas.

Therefore, economics is not a field limited to numbers or economic indicators; Economics is also a social science that attempts to understand human choices and the motivations behind them. Because "every choice we make often involves giving up something else"², economics encompasses not only what is produced or how much profit it generates, but also what we give up, what we sacrifice when choosing certain things, and what consequences these choices and preferences bring upon us. This analytical process inevitably places the concept of competition at the center of economics. Because competition is one of the fundamental mechanisms that determines who uses scarce resources efficiently, under what conditions, and to what extent. In markets where competition exists, not only prices but also innovation, productivity, and equality of opportunity are shaped. In this respect, competition becomes not merely a technical element determining the functioning of the economic order, but one of the fundamental pillars of social welfare and economic dynamism.

Economic relations have not only been established between individuals or small communities since the earliest periods of human history; rather, they have been shaped between societies and civilizations. Trade, which began with the exchange of agricultural products in Mesopotamia, transformed itself to an intercontinental interaction via the Silk Road; port cities and trade routes enabled the circulation not only of goods but also of ideas and cultures.

¹ Lionel Robbins, *An Essay on the Nature and Significance of Economic Science* (London: Macmillan, 1932), 15-16

² Friedrich von Wieser, *Natural Value*, trans. Christian A. Malloch (London: Macmillan, 1893), 73-75



In this respect, trade emerged as one of the oldest and most powerful tools for societies to use their scarce resources more effectively. Throughout history, international trade has created potential for increased wealth and economic growth. Production decisions made in one country can now directly affect producers and consumers in other geographies. This situation reveals that competition can no longer be explained solely by domestic market dynamics; economic choices and market forces, as historically, must be evaluated within the network of international relations.

In today's world, this phenomenon has been extended even further with the advent of the digital economy. Although the process of production and trade is being changed entirely with the onset of the digital economy, the use of data, algorithms, and digital platforms has introduced new resources into the economy as elements that shape competition. In the classical economy, competition is largely determined by "price and capacity," whereas in the digital economy;

This shift, however, has not removed the basic questions of economics, but rather it has brought them to the fore. The concept of scarcity is still there, albeit the nature of the scarce factors has altered. The importance of competition remains, but the context in which it takes place has now evolved. The potential of trade to generate wealth remains, but it also carries the challenge of widening disparities through the use of digital platforms. With this reason, the analysis of the relationship between competition, trade, and the digital economy has become an inevitability in comprehending the modern international economic order.

2. Introduction to the Agenda Item: Strengthening Fair Competition in Global Digital Economics

Digitalization is the main factor of the global economy's structural transformation. The last twenty years have seen a transition from physical to online consumer activities, and the latter have become predominated through data handling and trading. In fact, as the international bodies pointed out, "cross-border data flows are the most valuable economic activity today, even more than traditional goods trade"³, which implies that data has already become the most essential economic input. The whole global economy is going through a radical change in the manner of value creation, exchange, and distribution.

³ McKinsey Global Institute, *Digital Globalization: The New Era of Global Flows* (New York: McKinsey & Company, 2016)



A change in the composition of sectors represents another indicator of this transformation. The latest estimates reveal that "digital-intensive sectors make up more than 50% of total value added in advanced economies", which is a clear signal that digital services have turned into a crucial factor of economic growth⁴. The markets have had to adapt to the new realities of innovations and productivity gains, and on top of that, the new market forces are not only operating within borders but also across them.

Digital markets, by contrast, have economic surroundings that are quite the opposite from those of the traditional markets. The OECD described the situation very well: "high fixed costs, near-zero marginal costs, and strong network effects allow the firms to scale up very quickly once the critical mass of users is reached."⁵ These features are the reasons for the higher concentration of markets than in the case of offline industries. The evidence shows that "just a few large digital platforms take a huge part of user attention, data, and revenues"⁶ and are able to reinforce their positions in the market via data-driven feedback loops and integration into the ecosystem.

Such major characteristics have a direct impact on the concept of fair competition. Competition in the digital world is determined not only by prices but also by factors like data access, control of digital infrastructures, and rules for platform participation. The competition watchdogs have expressed their worries about practices like self-preference and the application of market power to the interconnected services⁷. Additionally, the academic studies have demonstrated that "many acquisitions by large digital firms are aimed at small innovative companies so they do not become effective competitors," thus referred to as killer acquisitions⁸. Such practices cast doubt on the future of market contestability and the ability to innovate.

Furthermore, the worldwide aspect of digital platforms makes it harder for the regulators to respond effectively. That is, digital companies are providing their services in numerous jurisdictions while, at the same time, competition rules and their enforcement are mostly restricted to national or regional levels. International agencies point out that "different regulatory ways of dealing with the matter may scatter digital markets and cause

⁴ OECD, *OECD Digital Economy Outlook 2023* (Paris: OECD Publishing, 2023)

⁵ OECD, *The Evolving Concept of Market Power in the Digital Economy* (Paris: OECD Publishing, 2022).

⁶ OECD, *Competition Economics of Digital Ecosystems* (Paris: OECD Publishing, 2022).

⁷ OECD, *Competition Policy in Digital Markets: The Combined Effect of Ex Ante and Ex Post Instruments in G7 Jurisdictions* (Paris: OECD Publishing, 2024).

⁸ Colleen Cunningham, Florian Ederer, and Song Ma, "Killer Acquisitions," *Journal of Political Economy* 129, no. 3 (2021): 649–702.



inconsistencies that will have a negative impact on global trade and investment”⁹ which is true for developing countries as they may not have the power to compete and grow especially in international markets since digital market power is monopolized globally.

In this scenario, the OECD is the one that ensures having a good and evidence-based communication and policy-making on competition in the digital economy. The OECD does not impose legally binding rules; instead, it offers analytical frameworks and comparative assessments, stating that “the issue of effective competition policy in digital markets necessitates a balanced combination of ex post enforcement and, where appropriate, ex ante regulatory tools.”¹⁰ This topic is a continuation of that approach, looking at how competition policy could interact with digital market realities to improve the fairness of the competition in the global economy that is getting more and more driven by data.

3. Structural Features of Digital Markets

3.1 Multi-Sided Platforms and Digital Ecosystems

Digital markets are influenced by structures and characteristics that are totally different from those of the traditional markets and they also reshape the whole scenario of competition. Among those characteristics, the most important one is the existence of multi-sided platforms. In contrast to the traditional firms that are confined to one market, digital platforms are serving at the same time different interdependent user groups like consumers, advertisers, developers, and business users. The user participation on one side of the platform is very much dependent on the value created on the other sides, which results in complicated demand interdependencies. The OECD points out that such platforms do not simply serve as transaction facilitators but moreover, they influence the market interactions by setting the conditions under which they take place.¹¹

Eventually, many of these platforms have gradually widened their scope beyond the initial stage and transformed into comprehensive digital ecosystems. These ecosystems consist of various services that are interlinked like operating systems, app stores, cloud services, and digital marketplaces not only support each other but also increase the user dependency. Consequently, the competition in the digital economy is getting more and more focused not

⁹ OECD, *Global Forum on Competition: Digital Regulation* (Paris: OECD Publishing, 2021); UNCTAD, *Competition Policy and the Digital Economy* (Geneva: United Nations, 2021).

¹⁰ OECD, *Competition Policy in Digital Markets: The Combined Effect of Ex Ante and Ex Post Instruments in G7 Jurisdictions* (Paris: OECD Publishing, 2024).

¹¹ OECD, *OECD Handbook on Competition Policy in the Digital Age* (Paris: OECD Publishing, 2022), 45–47.



on individual products or services but rather on the entire ecosystems as a whole.¹² This transformation permits the market leaders to exploit the gains obtained in one market to fortify their position in the neighboring markets, hence making entry barriers and the openness of the market in the long term a concern.

3.2 Network Effects and Economies of Scale and Scope

The growth of digital ecosystems has a lot to do with the network effects, which are strong. Network effects happen when a service's value rises with the increase in users; and this is a very pronounced situation in digital environments due to their low marginal costs and global reach. Social networks, online marketplaces, and communication platforms are just a few examples of places where user concentration takes place, as their value increases with the number of users.¹³

Moreover, these dynamics are further supported by the presence of very large economies of scale and scope. The fixed costs in software development and digital infrastructure are very high and can be shared among the users of the growing platform, while the cost of serving additional clients is almost nonexistent. Furthermore, the different firms in the digital sector can re-use their tech capabilities, data, and user relationships across the different services they offer, thus enjoying economies of scope. According to OECD analysis, the coupling of network effects and economies of scale and scope can trigger the phenomenon of market tipping, where competition is affected less and less as markets become more concentrated around a few dominant players.¹⁴ This might result in the short-run efficiency gain but the long-term competition and innovation concerns will be there as the future will likely come with the same challenges.

3.3 Data as a Source of Market Power

Data is at the heart of these structural changes, which have made digital data a vital source of market power in the digital marketplace. Continuous user engagement on digital platforms allows data collection and analysis, resulting in the platforms being able to provide better service quality, more tailored offerings, and the algorithms being more accurate. This loop creates data-driven ones where more usage leads to more data, and the platform's competitive advantage and attractiveness are being strengthened more and more.¹⁵

¹² OECD, *Competition Economics of Digital Ecosystems* (Paris: OECD Publishing, 2022), 18–22.

¹³ OECD, *The Evolving Concept of Market Power in the Digital Economy* (Paris: OECD Publishing, 2022).

¹⁴ OECD, *Evolving Concept of Market Power*, 31–33.

¹⁵ OECD, *Data-Driven Innovation for Growth and Well-being* (Paris: OECD Publishing, 2020), 63–67.



The data accumulation can be a double-edged sword; on one hand, it allows consumers to benefit from improved services, and on the other hand, it could make it harder for competitors who are not well-informed or well-prepared, to enter the market. The regulators have voiced their worries about the practices where major players in the market are using their data dominance to drive competition out, including the use of third-party business users' data to compete against those very users.¹⁶ Simultaneously, the OECD points out that data should not be considered as a barrier that cannot be overcome; rather its competitive significance would be determined by factors like the degree of substitutability, the conditions of access, and the ability of the competitors to acquire alternative data sources.¹⁷

3.4 Examples Related to the Structural Features

The above-mentioned structural characteristics which include multi-sided platforms, network effects, economies of scale and scope, and data-driven market power are quite evident in most of the digital markets today. For example, the case of online search engines can be cited which provide a platform for multiple sides by serving users looking for information and advertisers looking for attention at the same time. The value of the service to the advertisers is directly proportional to the number and the level of involvement of the user base, while the users enjoy better search quality thanks to the advertising revenue and the data gathering. Gradually, the interaction creates powerful feedback loops that strengthen market concentration and increase the entry barriers for new players.¹⁸

The same type of interactions can also be detected in digital marketplaces and app ecosystems. Mobile operating systems and app stores tie together developers and users, whilst also incorporating payment methods, cloud services, and proprietary applications. The cost advantages of scope enable platform owners to realize the potential of technological infrastructure as well as user data for a variety of services, thereby strengthening ecosystem-level power. As the rivalry shifts increasingly toward ecosystems rather than single products, the smaller players may find it hard to survive unless they are granted access to comparable size or interoperability.¹⁹

The hybrid marketplace model used by Amazon is an example for these dynamics. Amazon, a leading e-commerce platform, operates as a marketplace provider for third-party sellers and

¹⁶ OECD, *Competition Policy in Digital Markets: The Combined Effect of Ex Ante and Ex Post Instruments in G7 Jurisdictions* (Paris: OECD Publishing, 2024), 41–44.

¹⁷ OECD, *Evolving Concept of Market Power*, 52–54.

¹⁸ OECD, *Market Power in Digital Economy*, 27–33.

¹⁹ OECD, *Competition Economics of Digital Ecosystems*, 18–22.



a direct retailer competing with those sellers at the same time. This 'dual role' poses a competitive tension. Amazon enjoys indirect network effects by attracting a large number of users: more sellers bring in more customers, and more customers bring in more sellers. The platform, in addition, uses extensive data-driven feedback loops to watch and analyze third-party sales trends which helps it to fine-tune its own private-label product offerings. This not only allows the platform to use economies of scale and scope to strengthen its market position but also leads to frequent concerns about self-preferencing and the subsequent exclusion of smaller competitors who do not have access to data of the same quality or quantity.²⁰

4. Key Challenges to Fair Competition in Digital Markets

4.1 Data Advantage and Information Asymmetries

The digital arena is faced with one of its major challenges known as the "data gap". Picture a scenario where one of the players is able to see the cards of all the other players while the others can only see their cards. The big digital platforms are the ones that are able to see the cards of all the players. They analyze the activities of the users making data on what is clicked, bought, or watched- and then, the users are even compared with the profiles that have been built. For example, the one that deserves the greatest data pool in predicting the hits is Netflix. Hence, it makes it very hard for a new and small streaming service to compete as it is taking the risk of being totally unpopular. Such a situation now arises "Information Asymmetry". The platform is a seller that knows everything and the users and small-scale sellers are the ones that have little knowledge about the market. It is a case where data possession is not illegal but when it becomes a problem that nobody else is able to have a fair share of that information and hence, cannot build a better product it is considered impossible.²¹

4.2 Algorithmic Pricing and Risks of Tacit Collusion

Once upon a time, the only way for the companies to "fix" prices was through secret meetings. But now they have tools called "bots" or algorithms. These can make changes in prices in a very short time such as milliseconds. Suppose you have noticed that Uber prices increase during rain showers or that flight prices change every time you refresh the page, well, you have witnessed the functioning of an algorithm. The term "tacit collusion" denotes

²⁰ OECD, *Market Power in Digital Economy*, 31–33.

²¹ OECD, *Market Power in Digital Economy*, 52–54.



the danger: even if companies do not communicate, their bots may "understand" that if they all maintain high prices, then they all will earn higher profits. This is quite difficult for the government to detect as there are no "secret emails" or "handshakes", but only lines of code interacting with each other. For a student buyer, this results in a situation where prices remain escalated because the software has picked up the signal not to compete aggressively.²²

4.3 Switching Costs, Lock-In Effects, and User Dependency

Have you ever wanted to leave a social media app but realized you'd lose all your photos, chats, and followers? That is a "lock-in effect." Digital platforms are experts at making it "expensive" (in terms of time and effort) to leave. By using proprietary formats or making their apps incompatible with others, they create a "walled garden." For example, an Apple user might find it difficult to switch to Android because their paid apps, iMessage history, and iCloud backups don't easily move over. OECD experts note that when an app becomes a "necessity" for your social or school life, you stay even if the service gets worse or shows too many ads, simply because moving your digital life elsewhere is too difficult.²³

4.4 Killer Acquisitions and the Suppression of Nascent Competition

Sometimes, instead of out-competing a brilliant new startup, a tech giant will simply buy it and shut it down or absorb it. This is known as a "Killer Acquisition." A famous example often discussed is Facebook's purchase of Instagram and WhatsApp. At the time, these were small apps, but they were growing fast. By buying them, Facebook didn't just get new tools; it removed potential rivals before they could become a threat. Because these startups are often small and don't make much money yet, they slip under the radar of the government's "merger police" (antitrust authorities). This can stop the "next big thing" from ever happening, leaving us with fewer choices and less innovation in the long run.²⁴

5. Redefining Market Power in the Digital Economy

5.1 Limitations of Traditional Market Share Analysis

In the traditional economy, measuring a company's power was simple: you looked at their sales revenue. If a company sold 80% of all the shoes in a country, they had a clear

²² OECD, *Competition Policy in Digital Markets*, 48–50.

²³ OECD, *Market Power in Digital Economy*, 31–33.

²⁴ Colleen Cunningham, Florian Ederer, and Song Ma, "Killer Acquisitions," *Journal of Political Economy* 129, no. 3 (2021): 649–702; OECD, *Competition Policy in Digital Markets*, 54–56.



monopoly. However, in the digital world, this "old school" math often fails. Many digital services, such as Google Search or WhatsApp, are offered for "free" to users. Since they generate 0 (yes, you read correctly, zero) direct revenue from the consumer side, traditional antitrust tools focus on "price hikes" as a sign of monopoly might wrongly suggest these firms have no market power.

Instead of money, we now must measure attention, user data, and engagement. A company might have a small share of global revenue but own a massive, non-substitutable "data bottleneck." Furthermore, because of the network effects we discussed in Section 4.3, a digital company's power grows exponentially. According to Statcounter Global Stats (2024), Google's search engine market share remained dominant at approximately 91.62% worldwide, while its closest competitor, Bing, trailed far behind at around 3.31%.²⁵

Even if a new competitor offers a technically better search engine today, they lack the "data feedback loop" that Google has built over decades of processing trillions of queries. As noted in the previous sections, this data advantage creates a "winner-takes-most" dynamic. Relying only on traditional market share percentages is like trying to measure the speed of a jet engine with a wooden ruler it simply doesn't capture the full picture of competitive influence.²⁶

5.2 Gatekeepers, Bottleneck Power, and Strategic Market Status

Because the old rules were insufficient to handle "Big Tech," competition authorities (led by the OECD and the European Commission) introduced a more accurate concept: the Gatekeeper.

Think of a Gatekeeper as the owner of the only bridge leading into a major city. If you are a small business like a local shop or a new indie game developer, and you want to reach your customers, you *must* cross that bridge. You have no other choice. This is the essence of Bottleneck Power. A prime example is Apple's App Store. For developers, there is no other way to reach the world's roughly 1.46 billion active iPhone users.²⁷ Because Apple controls this "gate," they can impose a "tax" (up to 30% commission) that developers have no choice but to pay.

²⁵ Statcounter Global Stats, "Search Engine Market Share Worldwide: Feb 2023 – Feb 2024," (2024).

²⁶ OECD, *Market Power in Digital Economy*, 12–15

²⁷ Statista, "Number of Active iPhone Users Worldwide," (2024); OECD, *The Competition Economics of Digital Ecosystems*, OECD Competition Policy Roundtable Background Paper (Paris: OECD Publishing, 2020), 25–28.



Regulators refer to this as Strategic Market Status (SMS). Essentially, the firm does not merely "fight" in the market; it dominates the very infrastructure of the market. This, in turn, gives rise to the "Self-Preferencing" problem which we discussed with the Amazon case in Section 3: the gatekeeper has the power to privilege its own products over the others while putting the competitors far behind. The figures from the European Commission (2023) underscore the gravity of this dependence, pointing out that more than 10,000 online platforms in Europe alone are totally reliant on a few of these gatekeepers for customer access.²⁸ When one player sets the rules for everyone else, "fair competition" no longer exists unless the government puts its hands in it through regulatory measures like the Digital Markets Act (DMA).

6. Global Regulatory Landscape: OECD Perspectives vs. Regional Approaches

As we have explored in the previous chapters, the digital economy is no longer a "Wild West" where the fastest coder wins everything. Because the structural advantages like network effects (Section 4.3) and data-driven market power (Section 5.1) have created massive, immovable leaders, governments are forced to rewrite the rules of the game. However, a "global law" does not exist; instead, there is a patchwork of different strategies. This chapter examines how the world's leading economies are trying to level the playing field.

6.1 OECD Analytical Framework on Digital Competition

The OECD acts as the global "brain trust" for competition policy. While it cannot pass laws itself, its reports provide the intellectual foundation for almost every major regulation worldwide. The OECD's main concern is the shift from Ex-Post to Ex-Ante regulation.

In order to help you to make you understand this:

- **Ex-Post (Traditional):** Imagine a police officer chasing a car *after* it has already caused an accident. This is how antitrust used to work which being waiting for a company to crush a rival and then suing them.
- **Ex-Ante (Modern):** This is like installing a speed camera or a traffic light. The rules are set *before* anyone starts driving to prevent the accident from happening in the first place.

²⁸ European Commission, "Digital Markets Act: Ensuring Fair and Open Digital Markets," *EU Policy Reports* (2023).



The OECD (2024) suggests that for digital markets, the "traffic light" approach is better because digital markets move too fast for slow court cases.²⁹ Their framework focuses on two main goals: Contestability (Can a new startup actually enter the market?) and Fairness (Is the giant platform treating its business users like partners or like victims?). As noted in the 2022 report on Market Power, if we don't fix the data bottlenecks discussed in Section 5.2, innovation will naturally stall as only a few firms will have the "fuel" (data) to build new AI and software tools.³⁰

6.2 European Union: The "Gold Standard" of Regulation

The European Union has taken the most aggressive steps globally. Instead of just studying the problem, they have passed "hard laws" that apply to any company doing business in Europe, regardless of where their headquarters are. This is often called the "Brussels Effect". When Europe changes its laws, Big Tech usually changes its global behavior to match.

6.2.1 The Digital Markets Act (DMA): Controlling the Gatekeepers

The DMA is the most significant piece of digital legislation in a generation. It specifically targets the Gatekeepers we identified in Section 5.2. In 2023, the EU officially designated six companies as gatekeepers: Alphabet (Google), Amazon, Apple, Meta, Microsoft, and ByteDance (TikTok)³¹.

Under the DMA, these giants have a strict list of "Dos and Don'ts":

- **Anti-Self-Preferencing:** Remember our Amazon example in Section 3? Under the DMA, if Google shows search results, it cannot put "Google Shopping" at the top while pushing other cheaper stores to the second page. They must treat rivals fairly.
- **Interoperability and Data Portability:** The DMA strikes a blow against the Lock-in Effects of Section 4.3. It requires large messaging apps (like WhatsApp) to eventually allow messages from smaller, rival apps. It also says users must be able to "take their data and leave." If you want to move your 10 years of photos from one cloud to another, the gatekeeper must make it easy, not impossible.³²

²⁹ OECD, *Competition Policy in Digital Markets: The Combined Effect of Ex Ante and Ex Post Instruments in G7 Jurisdictions*.

³⁰ OECD, *The Evolving Concept of Market Power in the Digital Economy*, OECD Competition Policy Roundtable Background Paper (Paris: OECD Publishing, 2022).

³¹ European Commission, "Digital Markets Act: Ensuring Fair and Open Digital Markets," *EU Policy Reports* (2023)

³² European Commission, "Digital Markets Act: Ensuring Fair and Open Digital Markets,".



- **No "Bundling":** A company cannot force you to use its browser just because you use its operating system. This ensures that a "Data Advantage" in one area (OS) doesn't automatically create a monopoly in another (Browsers).

6.2.2 The Digital Services Act (DSA): Transparency and Algorithmic Safety

While the DMA focuses on *economics*, the DSA focuses on *how platforms treat people*. As we saw in Section 4.2, Algorithms can be dangerous if they are "black boxes."

The DSA forces platforms to explain their Recommender Systems. If an app's algorithm keeps showing you specific types of ads or news, the platform must explain *why* it chose that for you. This is a massive step in reducing Information Asymmetry. Furthermore, it bans "Dark Patterns" which being tricky website designs that try to manipulate you into clicking "Subscribe" or "Accept All Cookies" without realizing it. This means a more transparent internet where the platform doesn't "nudge" you into choices that only benefit the company's profit.³³

6.3 G7 and Other Jurisdictions: Diverse Approaches to Enforcement

Beyond the European borders, other major economies are taking different, yet increasingly strict, paths to protect their digital future.

6.3.1 The United States (The Litigation & Break-up Model)

The U.S. doesn't have a "DMA" yet. Instead, they use massive lawsuits. Currently, the U.S. government is in court trying to prove that Google paid billions to be the default search engine on iPhones, which they argue is an illegal way to maintain a Gatekeeper position. Some U.S. politicians are even discussing "Breaking up Big Tech"—forcing a company like Meta to sell Instagram and WhatsApp to restore the competition that was lost during the Killer Acquisitions era (see Section 4.4).

6.3.2 The United Kingdom (The Bespoke Model)

The UK's Digital Markets Unit (DMU) takes a "tailor-made" approach. Instead of one law for everyone, they create a specific "Code of Conduct" for each firm with Strategic Market Status (SMS). If Google's power comes from search, they get "search-specific" rules. This allows the UK to be flexible, but it requires a lot of expert staff to manage.³⁴

³³ UNCTAD, *Competition Policy and the Digital Economy* (Geneva: United Nations, 2021).

³⁴ OECD, *Competition Policy in Digital Markets*, 2021.



6.3.3 Developing Economies and the "Digital Divide"

Reports from the World Bank (2021) and UNCTAD (2021) emphasize a scary reality: if only the EU and US make the rules, developing nations might suffer from "Digital Colonialism," where they just become "data providers" for the big giants.³⁵ To prevent this, the G7 countries are trying to coordinate their laws. The goal is to ensure that whether a startup is in Istanbul, Lagos, or Jakarta, they don't have to follow 100 different laws to succeed. Global cooperation is the only way to ensure that the "Gatekeepers" don't just move to a country with no laws to continue their unfair practices.³⁶

7. The Roadmap to Strengthening Fair Competition

As we conclude this study guide, it is essential for you, as delegates, to realize that "Strengthening Fair Competition" is not a single act or a one-time fine. It is a continuous process of building a digital environment where innovation is more important than size. We have moved from identifying problems such as data bottlenecks (Section 5.2) and killer acquisitions (Section 4.4) to understanding the global regulatory response (Chapter 6). Now, the question is: How do we actually make it stronger?

7.1 Moving from Punishment to Prevention

For years, competition policy was like a referee who only blew the whistle *after* a player was already injured. Strengthening competition requires a shift to a "proactive" mindset. As discussed in the OECD's 2024 reports, we cannot wait for a market to "tip" toward a monopoly. Once a platform achieves Winner-Takes-Most status, it is nearly impossible for a new rival to enter, no matter how good their product is.³⁷

To strengthen the market, delegates must consider "Structural Remedies." Sometimes, a fine of 5 billion is just a "cost of doing business" for a trillion-dollar company. True strength comes from changing how the company is built. For example, if a company owns both the "Marketplace" and the "Products" (the dual-role problem in Section 3), should they be forced to separate those businesses? Strengthening competition means being brave enough to ask if these giants have simply become too big to regulate.

7.2 The Three Pillars of a Stronger Digital Economy

³⁵ World Bank, *World Development Report 2021: Data for Better Lives* (Washington, DC: World Bank, 2021).

³⁶ UNCTAD, *Digital Economy Report 2019: Value Creation and Capture* (Geneva: United Nations, 2019).

³⁷ World Bank, *World Development Report 2021: Data for Better Lives* (Washington, DC: World Bank, 2021).



7.2.1 Pillar I: Data Democratization and Portability

Data is the "oil" of the digital economy, but currently, most of that oil is locked in the silos of just a few dominant companies. Strengthening competition requires returning control of this data to the users through Real-Time Data Portability. The objective is to ensure that if a user chooses to leave a platform, they do not lose their entire "digital life" or social graph. By enforcing standards where data flows seamlessly between services, delegates can effectively eliminate the Switching Costs discussed in Section 4.3. When a user can switch platforms with a single click, Gatekeepers are forced to compete based on actual service quality rather than simply "trapping" their user base in a closed ecosystem.³⁸

7.2.2 Pillar II: Technical Interoperability

Picture a scenario where only emails between people using the same provider were possible; this would be a nightmare of monopoly. To avoid a similar situation in the social media and messaging industries, the representatives must advocate for universal Interoperability Standards so that the existing Walled Gardens can be dismantled. Similar to the worldwide acceptance of USB-C for hardware, every digital service should be made to "communicate" with others. This move opens up the market for small companies in developing regions, granting their creative apps access to users already on the big platforms and thus, making the market entry based on innovation rather than the size of the existing network.³⁹

7.2.3 Pillar III: Modernizing Merger Control

The so-called Killer Acquisitions described in Section 4.4 happen due to the present legal systems relying on the old Revenue-Based Thresholds, which do not guard the "Next Big Thing". The competition can be strengthened only by changing the method to Transaction Value Thresholds, which will empower the "merger police" to probe into any case where a giant pays billions for a startup with no or little revenue but with extremely valuable data or code. It is in this way, by upholding these limits, we would be able to save the "seedlings" of the tech world from being overshadowed by the "giant trees", thus letting the disruptive innovation live on.⁴⁰

7.3 The Next Frontier: Artificial Intelligence (AI)

³⁸ European Commission, "Digital Markets Act: Ensuring Fair and Open Digital Markets," *EU Policy Reports* (2023).

³⁹ Colleen Cunningham, Florian Ederer, and Song Ma, "Killer Acquisitions," *Journal of Political Economy* 129, no. 3 (2021): 649–702.

⁴⁰ OECD, *OECD Digital Economy Outlook 2023* (Paris: OECD Publishing, 2023).



It is impossible to talk about the competition's future without mentioning Artificial Intelligence. AI is surely the most "data-driven" market that needs a lot of Computing Power and Data Sets—both are the areas where the Gatekeepers have control (Section 5.2). If we allow monopolies to strengthen AI will be the best and most powerful tool to monopolize the market.

Large companies might resort to AI for the sophisticated Algorithmic Pricing (Section 4.2) or to foresee and neutralize the competition even before they get into the market. The OECD Digital Economy Outlook (2023) warns that the AI revolution will only be of benefit to a few if the data and Cloud Infrastructure access is not open as the case will be with the rest of the world. Delegates will need to ensure that AI is used as an "open tool" for all humanity, rather than a "private weapon" for a few massive corporations.

7.4 A Call to Action

As you enter the debate, remember that you represent nations with diverse interests from "Tech Giants" to "Emerging Markets." However, the World Bank (2021) reminds us that a fair market benefits the global economy in the long run. When competition is strong, prices decrease, quality increases, and innovation flourishes.⁴¹

When discussing about agenda, it is advised to move beyond requesting "further studies" and instead demand:

- **Global Cooperation:** To prevent companies from exploiting jurisdictions with weak regulatory frameworks.
- **Harmonized Standards:** Enabling a startup in Turkey or Brazil to compete globally without requiring an army of 100 lawyers.
- **Empowered Regulators:** Ensuring that authorities have the technical expertise to audit code and algorithms, not just financial statements.

The digital economy is the most powerful engine of growth in human history. Your role in this committee is to ensure that this engine is open for everyone to drive, not just those who built the first few cars. Strengthening competition is, ultimately, about protecting the future of your own generation.

8. Questions to be Addressed

⁴¹ UNCTAD, *Competition Policy and the Digital Economy* (Geneva: United Nations, 2021).



BOĞAZIÇİMUN 2026

- 1) How can regulatory frameworks strike a balance between traditional ex-post enforcement (lawsuits after harm occurs) and modern ex-ante measures to keep pace with the rapid evolution of digital markets?
- 2) What global standards should be established to prevent dominant gatekeepers from using data accumulation as an insurmountable barrier to entry for smaller competitors?
- 3) How can antitrust authorities move beyond revenue-based thresholds to effectively capture and investigate "Killer Acquisitions" involving startups with high strategic value but low current turnover?
- 4) What specific technical standards are required to ensure that messaging and social media platforms can "talk" to each other without compromising user privacy or security?
- 5) How can the international community ensure that the "fuel" for AI (massive computing power and data sets) remains accessible to innovators outside of the current gatekeeper circle?
- 6) What measures can be taken to protect emerging economies from "Digital Colonialism" and ensure their local startups can compete fairly in a globalized digital market?
- 7) How can regulators develop the technical capacity to detect and prove "tacit collusion" where prices are synchronized by algorithms rather than human agreement?



BOĞAZIÇİMUN 2026

- 8) Since many digital services are "free," what alternative metrics (e.g., data control, user attention, ecosystem reach) should be used to define and measure dominant market power?
- 9) Should real-time data portability be a universal right for users, and how can this be implemented without creating technical vulnerabilities for platforms?
- 10) Under what specific conditions should structural remedies, such as the separation of a marketplace from its retail arm, be considered as a last-resort solution?
- 11) How can transparency requirements for recommender systems be enforced globally to prevent the manipulation of users through "Dark Patterns" and information asymmetry?
- 12) How can the G7 and OECD nations coordinate their digital laws to prevent "regulatory arbitrage," where tech giants move operations to jurisdictions with weaker competition oversight?



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