

“THE ANTITRUST PARADIGM – RESTORING A COMPETITIVE ECONOMY”

BY JONATHAN B. BAKER, HARVARD UNIVERSITY PRESS, 1 EDITION, 2019

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The Antitrust Paradigm by Jonathan Baker is a must read. Both experts and neophytes will find it stimulating. The issue of restoring a competitive economy is currently hotly debated in politics and the mainstream media. The role of antitrust law is often raised. Jonathan Baker is a leading antitrust scholar and he analyses the issues with a style that is authoritative and yet accessible. He looks rigorously at the theoretical foundations of US antitrust law, identifies the main issues in the current era (insufficient deterrence of anticompetitive co-ordination, merger and exclusion; durable market power; rise of dominance of IT platforms, increased concentrations, decline in economic dynamism) and offers well-thought solutions as to how to recalibrate policies and reinvigorate the role of antitrust enforcement, as one of tools to restore competitiveness.

Jonathan is an economist and his work has strong empirical foundations. However, his proposals are also heavily influenced by political considerations. For instance, in relation to cross-

market efficiencies – which are often claimed in the context of the two-sided business models that fuel many of the most successful global businesses – Baker endorses a cautious restrictive interpretation (other than in exceptional circumstances) largely on political-economy grounds based on the fear of undermining the political bargain between different economic actors. Equally, whilst advocating a more aggressive use of antitrust and criticising the narrow Chicago-school view, he is cautious against introducing political as well as economic aims fearing that it would inspire rancour and division and undermine its legitimacy.

Baker approaches the themes mostly from US perspective and is focussed specifically on a number of legal issues that are linked on the development of antitrust law in the US. However, he has a good grasp of law and policy in Europe. Whilst his views and recommendations are mostly linked to the development of US antitrust law and policy, they will have resonance elsewhere and will inform the international debate about the future of the antitrust paradigm globally.

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