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PREDATORY PRICING: RESPONSE TO CRITIQUE AND FURTHER ELABORATION PROCEDURE

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ABSTRACT

Responding to a critique that our earlier article on predatory pricing moved too swiftly and decisively to implement modern strategic theory in antitrust enforcement, we urge that (1) strategic theory is robust and provides a solid foundation for legal policy, (2) the several elements of our proposed rule effectively distinguish between predation and competition, and thereby avoid over enforcement risks, (3) claims that post trial evidence in three relatively recent cases disproves the feasibility of a strategic approach to predatory pricing are without foundation, the courts having made no attempt in those cases to evaluate the facts within a strategic framework. Finally, we elaborate and extend our previous analysis of predatory pricing in our defense of the economic robustness of strategic theory in Part I and in our development of the proposed legal rule in Part II.

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Only the abstract of this paper is posted on this website. You can find the original paper in the law journal:

“Predatory Pricing: Response to Critique and Further Elaboration,” 89 GEO. L.J. 2495 (2001).