

EXCLUSIONARY PRACTICES

The most controversial area in competition policy is that of exclusionary practices, where actions are taken by dominant firms to deter competitors from challenging their market positions. Economists have been struggling to explain such conduct and to guide policy-makers in designing sensible enforcement rules. In this book, authors Chiara Fumagalli, Massimo Motta and Claudio Calcagno explore predatory pricing, rebates, exclusive dealing, tying and vertical foreclosure, through a blend of theory and practice. They develop a general framework which builds on and extends existing economic theories, drawing upon case-law, discussions of cases and other practical considerations to identify workable criteria that can guide competition authorities to assess exclusionary practices. Along with analyses of policy implications and insights applied to case studies, the book provides practitioners with non-technical discussions of the issues at hand, while guiding economics students with dedicated technical sections featuring rigorous formal models.

Chiara Fumagalli is Avv. Giovanni Agnelli Associate Professor of Economics at Bocconi University. Her research covers industrial organization, competition policy and corporate finance. Her research in these areas has been published in leading international academic journals, including *The American Economic Review*, *The Journal of Financial Economics* and *The RAND Journal of Economics*.

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Chiara Fumagalli , Massimo Motta , Claudio Calcagno
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Exclusionary Practices

The Economics of Monopolisation and Abuse of Dominance

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At the time of publication, Claudio Calcagno is an employee of KPMG LLP. Any views expressed in this book are those of the authors and do not necessarily represent the views of KPMG LLP or those of any of KPMG LLP's clients.

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Acknowledgements

The project of writing a book on exclusionary practices in antitrust was conceived a long time ago, in 2008. We had already been writing research papers on this topic, and started to see a pattern behind most of the exclusionary models that had been proposed. Writing a short book offering a general framework of analysis for the many papers (including our own) which had recently been appearing on this controversial topic seemed a natural (and relatively easy) extension of our research work.

As it often happens, the project turned out to be much longer than expected (economists, or at least those undersigned, tend not to have the same perfect foresight as their models assume). Longer in terms of pages, as we started to extend our attention from only the practices (such as predation, rebates and exclusive contracts) aimed at excluding horizontal competitors to also those (such as tying and refusal to supply) aimed at excluding rivals selling complementary or vertically-related goods; and as we decided to include more thorough discussions also of case-law, cases, and policy, so as to reach not only academic economists and advanced economics students, but also lawyers, judges and practitioners.

Longer also in terms of the time it took us to complete the project, both because it had grown more ambitious, and because, at a time when the book was almost finished, one of us (Massimo) decided to spend three years working in the real (competition) world taking a leave from his academic job. Together with a very busy research and teaching agenda (Chiara) and a more-than-full-time consultancy job (Claudio), the project slowed down considerably, only to be given full priority again since September 2016.

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