

## **REFUSALS TO DEAL AND PRICE SQUEEZES BY AN UNREGULATED, VERTICALLY INTEGRATED MONOPOLIST**

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This article formulates a rigorous legal standard under Section 2 of the Sherman Act for anticompetitive refusals to deal and price squeezes undertaken by an unregulated, vertically integrated monopolist. The standard is consistent with historical Supreme Court precedent and takes into account concerns identified by the Supreme Court in its recent antitrust cases, including *Trinko*. The standard is administrable by the courts and by the monopolist because it requires no more information than the test for predatory pricing in *Brooke Group*. The standard takes into account both the direct effects on consumers and its indirect effects on innovation and investment incentives of the monopolist and its would-be competitors. In this way, the proposed standard protects consumers and the competitive process.