

LESSONS FROM THE FINANCIAL CRISIS

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This Essay comments on several symposium articles involving antitrust policy issues in the financial crisis' aftermath. The Essay first addresses the issue of systemic risk posed by mergers generally and those in the financial services industries specifically. This Essay argues that competition authorities must look beyond the mergers' short-term impact on static price competition to better understand mergers' potential long-run effects on the network's health and stability. This Essay next reviews a proposed dynamic enforcement model to determine the optimal level of fines to deter abuses by monopolists while not chilling dynamic efficiency. Finally, this Essay discusses the political implications of concentrated economic power, notably its effect on the rising income inequality over the past thirty years in the United States. This Essay inquires about the causes of income inequality, whether lax antitrust enforcement is a contributing factor, and whether income inequality can affect antitrust policy.