

ANTITRUST

Antitrust Remedies for Labor Market Power

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Recent research indicates that labor market power has contributed to wage inequality and economic stagnation. Although the antitrust laws prohibit firms from restricting competition in labor markets as in product markets, the government does little to address the labor market problem, and private litigation has been rare and mostly unsuccessful. One reason is that the ana-

1. Research Question

Main Question:
How can we restore the competitive labor market?

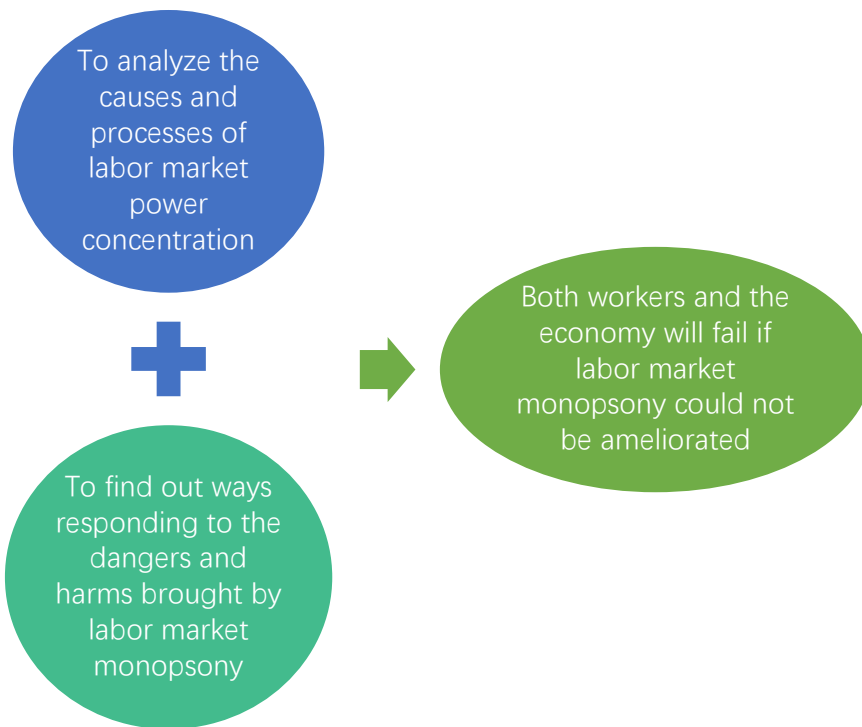
--Problem 1: Why is current labor market *not* competitive?

--Problem 2: Why is uncompetitive labor market harmful?

--Problem 3: Why antitrust measure could and should play a role in remedying labor market monopsony?

--Problem 4: What we need to do if we want to apply antitrust measure for labor market?

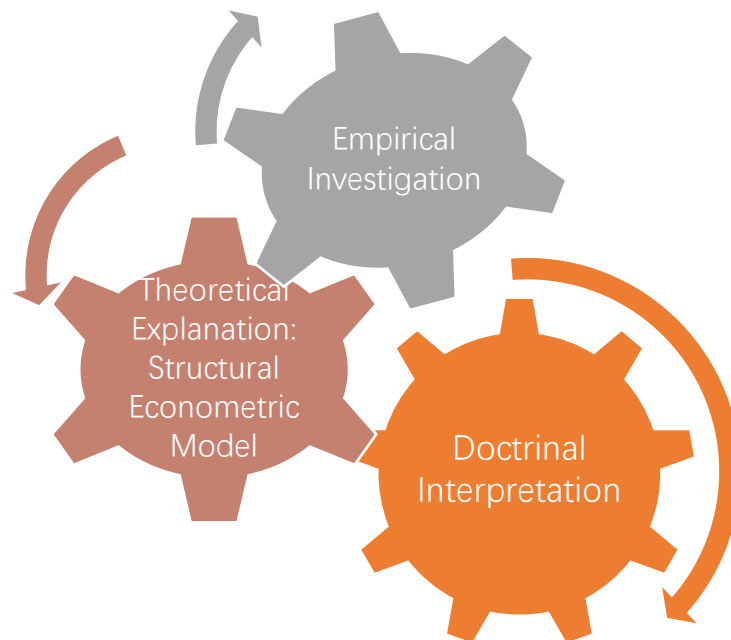
2. Research Purpose and Significance



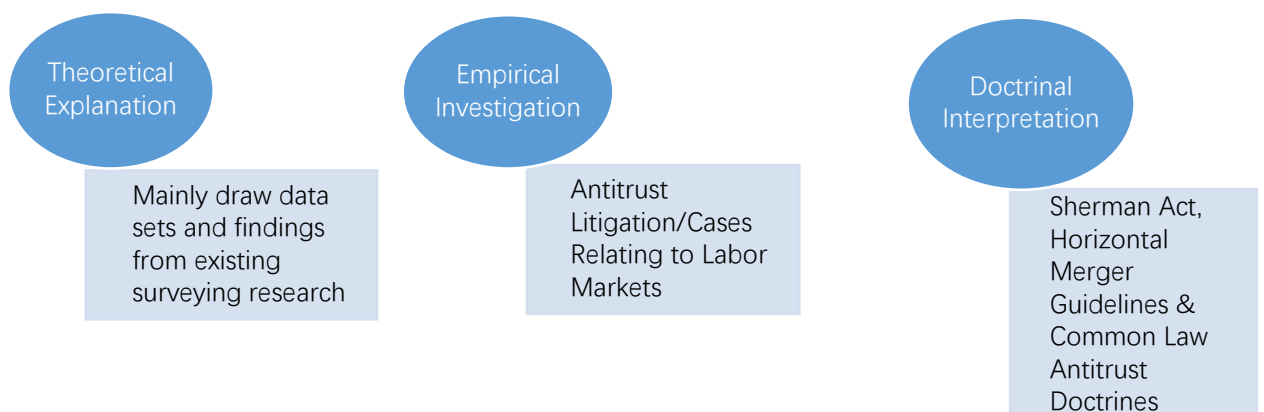
3. Types of scholarship



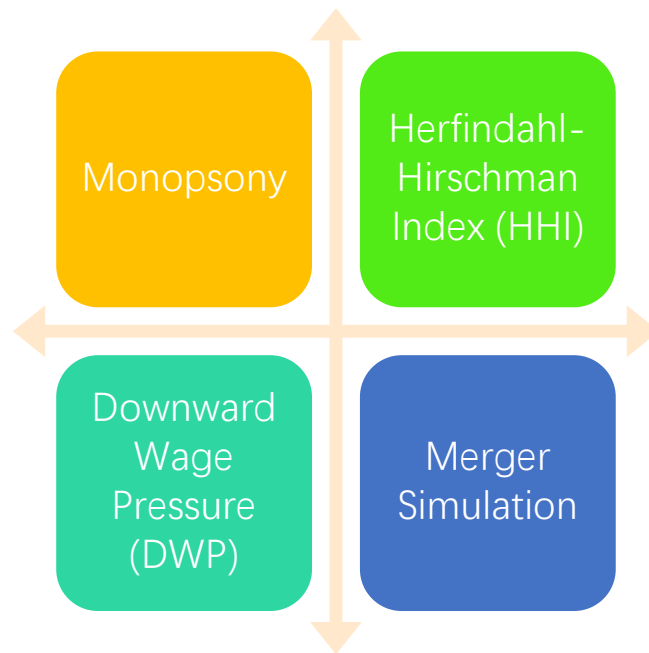
4. Applied Methodology



5. Information/Data



6. Main Concepts



7. Argument & Argumentation

There are three factors contributing to the labor market monopsony: market concentration; product differentiation & search friction

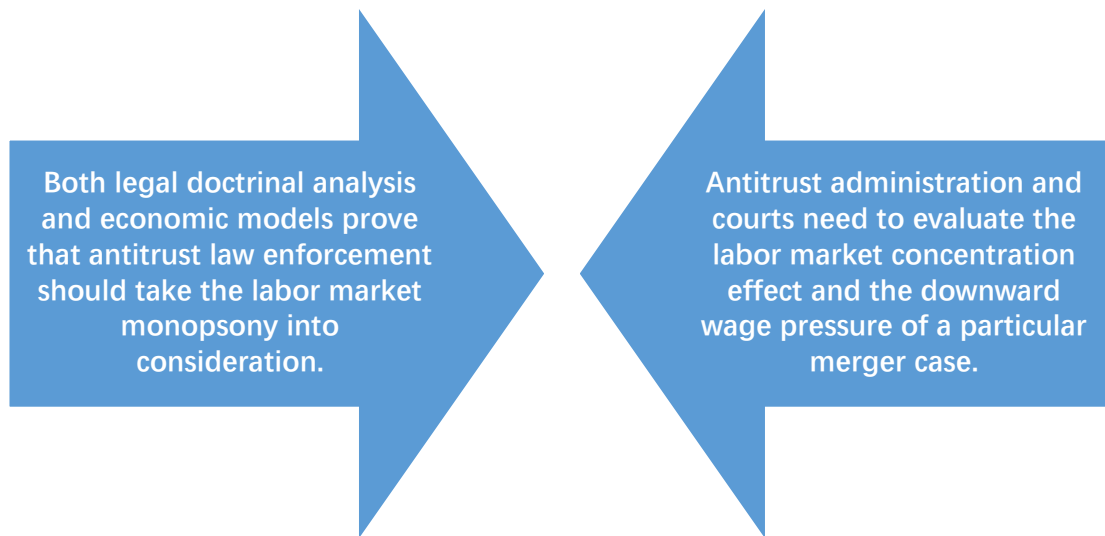
Labor market monopsony brings huge social costs: wage stagnation, inequality, efficiency loss & unemployment

Current antitrust practices by FTC and DoJ or the Courts pay little attention to labor market monopsony due to the lack of suitable analytic tools

Three tools could address the labor market monopsony problem: Market Definition and Concentration (MDC), Downward Wage Pressure (DWP) & Merger Simulation

Antitrust law already contains the conceptual resources for addressing monopsony problem and are compatible with proposed three tools

8. Conclusion



9. Originality and Contribution

