

# CULTURE, ECONOMICS, AND ANTITRUST

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Abstract: Competition in America today is viewed through a microeconomic neoclassical lens, relying on a model of rational, self-interested Economic Man and focusing primarily on the achievement of efficiency. But what role do cultural dimensions of cooperation and competition, such as trust, play in economic life? Taking a multidisciplinary perspective, I will suggest that variations in cultural heritage are likely to result in various market-oriented states treating similar economic behavior differently. Sensitivity to the cultural aspects of competition and cooperation places constraints on overly optimistic expectations for global harmonization of antitrust enforcement and opens a pathway for domestic reform.

KEY WORDS: *culture, trust, competition, cooperation, social capital, global harmonization.*

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## CULTURE, ECONOMICS, AND ANTITRUST

### A. What is Culture?



Consider a monkey, a bear, and a banana. Which two would you quickly say go together? Well, a monkey and a bear are both in the category of animals. Westerners, thinking categorically, generally choose the monkey and the bear. But East Asians think more relationally and link the monkey and banana: if you think about a monkey, you would also think of the food it needs.



Culture unavoidably shapes how a person views the world. Studies have shown that if you track the eyes of persons standing in front of a complex picture, the Westerners' eyes first look at a picture's center, while the East Asians scan the overall scene. Neurobiologist Robert Sapolsky uses these examples to show how cultural differences extend to sensory processing, with Westerners processing information in a more focused manner and Asians in a more holistic one.<sup>2</sup>

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<sup>2</sup> ROBERT M. SAPOLSKY, BEHAVE: THE BIOLOGY OF HUMANS AT OUR BEST AND WORST 276 (2017).



What is the role of a son when his father breaks the law? In traditional China, when a father breaks the law, the son is usually not obligated to inform the police or other authorities. As Francis Fukuyama puts it in a book called Trust, “ties to family trump ties to political authorities.”<sup>3</sup> That sentence (by the way) was written back in 1995; I did not make up the verb. In Japan, by contrast, a son in a similar dilemma would have a duty to report his father to the police. Says Fukuyama, “Duty to the daimyo trumps loyalty to the family.”<sup>4</sup>

Culture counts. We live in a global community and therefore often need to deal with people educated in cultures other than our own. There are even consultants whose goal is to help businesspeople negotiate with foreigners through better understanding of cultural predilections. David Livermore does some of this consulting, and he has written one of the many business books that rely primarily on writings by cultural anthropologists.<sup>5</sup>

He talks about ten cultural clusters in his book. For instance, the US is in the Anglo cultural cluster, along with Australia, Canada, the U.K., and others. Livermore also describes seven cultural value dimensions, which he sets out in contrasting pairs. The most important, in terms of my talk today, are the pairs of “individualism” and “collectivism” on the one hand and “competitive” and “cooperative” on the other. We’ll talk about these, but first, let’s step back and get clear on we mean by “culture.”

#### Culture

how we do and think about things,  
transmitted by non-genetic means

For a long time, it was thought that the use of tools was a distinguishing characteristic of human culture, but in the 1960’s Jane Goodall reported that chimps use tools too and since then we’ve learned that other animals also use tools. Subsequently there was a burst of enthusiasm for definitions of culture that focus on the use of ideas and symbols. Today a broad definition seems appropriate, that culture is “how we do and think about things, transmitted by non-genetic means.”<sup>6</sup> Another good, though simple, definition is that culture is inherited ethical habit.

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<sup>3</sup> FRANCIS FUKUYAMA, TRUST 178. (1995).

<sup>4</sup> *Id.* at 17.

<sup>5</sup> DAVID LIVERMORE, EXPAND YOUR BORDERS 7 (2013).

<sup>6</sup> SAPOLSKY, *supra* note 1 at 270-71.

## B. Cross-Cultural Data

A good deal of cross-cultural data exists, coming mainly from ethnographic articles and books, surveys, and, more recently, experimental games. Ethnographies are systematic studies of individual peoples or cultures.



For example, one ethnographic memoir explains how Koreans learn early on that life is a constant competition. A survey of thirty developed countries showed that Korean teens are the most stressed. The stress has to do with competing to get into the best school, then the best job.<sup>7</sup> Their brand of intense competition has led to intense conformity in some areas. Someone explained to the memoirist, “In the U.S., you compete to stand out from the crowd. In Korea, we compete to fit into the crowd.” The resulting obsession with appearance is why couples rent “arrangers” to be wedding guests, so that real guests will be impressed by the size of their weddings. [During the questioning after the lecture, a member of the audience described how he had served as a paid guest at a Korean wedding.]

### Trust

the expectation that arises within a community of regular, honest, and cooperative behavior, based on commonly shared norms, on the part of other members of that community.

I mentioned a cross-cultural survey that compared levels of stress. Other surveys cover everything from attitudes toward hierarchy or power to how much trust there is in a society. There is a particularly large literature on cross-national attitudes about trust. Trust, like culture, has many definitions. Let’s go along with Francis Fukuyama and say that “Trust is the expectation that arises within a community of regular, honest, and cooperative behavior, based on commonly shared norms, on the part of other members of that community.”<sup>8</sup>

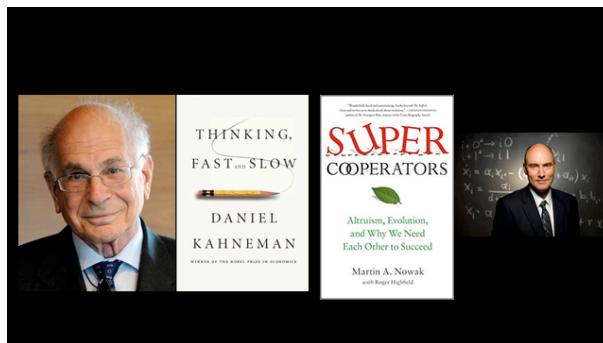
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<sup>7</sup> FRANK AHRENS, *SEOUL MAN* 128 (2016).

<sup>8</sup> FUKUYAMA, *supra* note 3 at 26 (1995). See also Christopher R. Leslie, *Trust, Distrust, and Antitrust*, 82 *TEX L. REV.* 515, 529-36 (2004) (discussing the many definitions of trust and the relationship between trust and cooperation). The Russell Sage Foundation has published a series of more than ten books on trust.

The Fukuyama book in 1995 and Robert Putnam's *Bowling Alone* in 2000 brought tremendous attention to the role of trust in society and in economic life. Both relied on cross-cultural surveys and cross-temporal surveys that reported large declines in levels of trust since the 1960's, particularly in the U.S. Much of this rested on extremely vague questions like, "Do you agree that most people can be trusted?" The "yes" response went down from 58% in 1960 to 37% in 1993, and a recent Pew Research Center survey, prior to the present administration in Washington, reported only 19% of Americans trust the government "always or most of the time."<sup>9</sup>

I don't know how I would answer whether most people can be trusted. Some skepticism is surely warranted toward this kind of highly generalized survey question. We'll come back to trust, because its existence is like oxygen for an economy, but first I want to talk about games, because watching people play them is another way to get at what people really think.



Behavioral economics<sup>10</sup> and game theory developed by observing college students playing games that test out various hypotheses about human economic behavior.<sup>11</sup> The results ultimately undermined the model of the rational, efficiency maximizing economic man, which underlies so much of our contemporary economic theory. This challenges prevailing economic wisdom and raises interesting questions such as: How much can we really learn from experiments with games? How representative, within the world context, are American college students?

A group of scholars led by Joseph Henrich decided to conduct several common economic games in fifteen small-scale societies.<sup>12</sup> These are relatively unindustrialized societies such as the Hadza, nomadic bands of foragers in Tanzania, and the Machiguenga, a horticultural semi-nomadic family-based society in the tropical forest. Watching these people play experimental games, the researchers concluded that there is no society where observed

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<sup>9</sup> Poll: *Americans Distrust Their Government*, VOA NEWS (Nov. 27, 2015), <http://learningenglish.voanews.com/a/americans-distrust-their-government-poll-says/3077692.html> (Nov. 27, 2015).

<sup>10</sup> See DANIEL KAHNEMAN, *THINKING, FAST AND SLOW* (2011). Kahneman and Amos Tversky introduced psychology into economic thinking. The story of their friendship and the development of behavioral economics is told in MICHAEL LEWIS, *THE UNDOING PROJECT* (2017).

<sup>11</sup> MARTIN NOWACK, *THE SUPERCOOPERATORS: ALTRUISM, EVOLUTION, AND WHY WE NEED EACH OTHER TO SUCCEED* (2011).

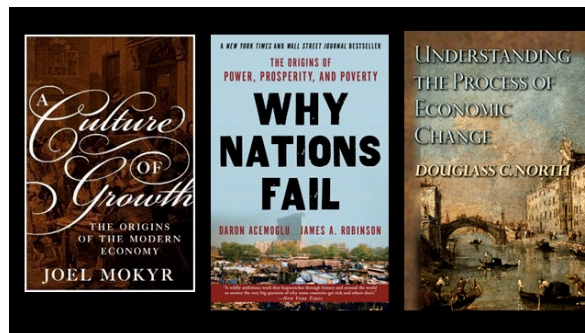
<sup>12</sup> JOSEPH HENRICH, ROBERT BOYD, SAMUEL BOWLES, COLIN CAMERER, ERNST FEHR, AND HERBERT GINTIS (EDS), *FOUNDATIONS OF HUMAN SOCIALITY: ECONOMIC EXPERIMENTS AND ETHNOGRAPHIC EVIDENCE FROM FIFTEEN SMALL-SCALE SOCIETIES* 10 (2004).

behavior matches the canonical model from economic textbooks and there is much more variation between groups than has been previously reported. They also found that differences in cooperation explain a substantial portion of the behavioral variation between groups.

Like surveys, there are limits as to what we can take from this, given that the societies reflected in these game results are so far removed from the nation states that dominate the world economy today, but the results are suggestive of deeply underlying non-genetic cultural differences that different types of ancient societies seem to have evolved.<sup>13</sup> More work needs to be done and is being done, but experimental games are one relatively recent piece of a story that questions the American tendency to believe that in economics it is our way or the road.

### C. Culture and Institutions

I believe that a society's culture helps shape its economic institutions, and I especially want to focus on my own area of experience, the institution of antitrust which is better described and better known around the world as competition policy. It turns out that there is considerable controversy over the relationship between culture and institutions. Let me briefly reference three books by so-called institutional economists.



Joel Mokyr just published The Culture of Growth, about the cultural underpinnings of the Industrial Revolution. He observes that many mainstream economists are now committed to the significance of culture in the evolution of modern economics.<sup>14</sup> He argues that culture affected the rise of industrial technology “directly, by changing attitudes toward the natural world, and indirectly, by creating and nurturing institutions that stimulated and supported the accumulation and diffusion of ‘useful knowledge.’”<sup>15</sup>

On the other hand, in the context of explaining the causes of global inequality, Daron Acemoglu and James Robinson, argue against what they call the cultural hypothesis, which says that religion and other types of beliefs, values, and ethics help in the understanding of world inequality.<sup>16</sup> They reluctantly admit: yes, social norms, which are related to culture, do

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<sup>13</sup> See YUVAL NOAH HARARI, *SAPIENS, A BRIEF HISTORY OF HUMANKIND* (2015).

<sup>14</sup> JOEL MOKYR, *CULTURE OF GROWTH: THE ORIGINS OF THE MODERN ECONOMY* 7 (2017).

<sup>15</sup> *Id.*

<sup>16</sup> DARON ACEMOGLU & JAMES A. ROBINSON, *WHY NATIONS FAIL* 45-69 (2012).

matter and can be hard to change, and may sometimes support institutional differences, BUT they are an outcome of institutions, not an independent cause of institutions.

I prefer the explanation of economic change presented by Nobel laureate Douglass North, who emphasizes the “intimate interrelationship of beliefs and institutions” and postulates that informal institutions, such as norms, conventions, and internally held codes of conduct “not only embody the moral codes of the belief system, which tend to have common characteristics across cultures, but also embody the norms particular to individual societies, which are very diverse across cultures.”<sup>17</sup>

In my view, it is sufficient to say there is a complex relationship between culture and a society’s institutions, and that causation can work in both directions. Law, a good example of an institution, reflects culture, but also can change culture. Think Brown v. Board of Education. But before considering the interplay of law and culture in the context of competition policy, I want to go back to the role of trust in economics, and then reflect on two other related aspects of culture, namely: attitudes toward competition and cooperation.

#### D. Trust and Economics: Transaction Costs

Why is trust so important to an economy? Here are some examples:



The medium for exchange in a market economy is money. It depends on trust that a symbol will be backed by consistent value, requiring faith in the issuing authority and the general stability of the social order. It’s worth considering that perhaps the rise of Bitcoin is another sign of growing distrust today.

Tax revenue is essential to a government’s ability to influence the economy and achieve the government’s public purposes. Without citizens’ trust that most fellow citizens are also paying their share, how many would consistently make an effort to pay their own taxes honestly? The trusting assumptions also include that the government is trustworthy in its handling of your money and that the government will identify and prosecute those who cheat.

How difficult would it be just to get around without trust? We used to trust that no one would hijack or blow up an airplane; today we have to trust metal detectors and armies of sleepy-eyed TSA employees. We also have to trust the sobriety of the pilots, the competence

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<sup>17</sup> DOUGLASS C. NORTH, UNDERSTANDING THE PROCESS OF ECONOMIC CHANGE 50 (2005).

and care of maintenance personnel, the alertness of air traffic controllers, and so on. These are examples of weak trust, where we don't really have much choice to evaluate trustworthiness.

Or consider Uber, where new technologies based on the cellphone have made it feasible to trust a stranger driving his or her own car, as much as a more expensive certified employee of a licensed and regulated taxi fleet.<sup>18</sup>

Why is trust so important to the economy? More trust means a lower cost of making a transaction, which means a more efficient economy. Transaction costs are defined by Ronald Coase as “search and information costs, bargaining and decision costs, policing and enforcing costs.”<sup>19</sup> Barter is obviously much less efficient than money. Metal detectors and large security forces are much less efficient than honesty and benevolence. A sharing economy makes better use of a society's limited assets than regulation, provided that a comparable level of trust, both by drivers and by passengers, can be maintained in the presence of reduced regulation.

Where trust is absent, intermediary mechanisms, like many banking functions, are invented. There is a lot of excitement right now about blockchain technology, which the *Economist* magazine calls “the trust machine” because it lets people who have no particular confidence in each other collaborate without having to go through a neutral central authority.<sup>20</sup> The *Economist* reports that 80% of banks will have started work on blockchain-related projects in 2017.<sup>21</sup>

Trust, we can summarize, is an essential ingredient in the structure of an economy because of its importance as a factor in establishing transaction costs. These in turn play an important role in determining the structure and behavior of the firm within markets.<sup>22</sup>

## E. Social Capital and Economics

Economics normally focuses on three forms of capital: financial capital (*e.g.*, the resources needed to invest in projects), physical capital (*e.g.*, tools and machinery), and human capital (*e.g.*, primarily skills and education). A fourth form, of more recent vintage, is *social capital*, which captures the idea that there is value in the social ties among individuals and the norms of reciprocity and trustworthiness that arise from those ties.<sup>23</sup> The concept of social capital had been mentioned at various times in the past, but was popularized in the 1990's by Robert Putnam, especially in his book *Bowling Alone*. Social capital reflects the observation

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<sup>18</sup> In some African countries Uber hasn't worked well because there isn't enough trust in a stranger. Alternative apps use Facebook to only connect riders to drivers who are in their extended network.

<sup>19</sup> R.H. COASE, *THE FIRM, THE MARKET AND THE LAW* 6 (1988).

<sup>20</sup> *The Technology Behind Bitcoin Could Transform How the Economy Works*, *THE ECONOMIST*, Dec. 3, 2015, available at <http://www.economist.com/news/leaders/21677198-technology-behind-bitcoin-could-transform-how-economy-works-trust-machine>.

<sup>21</sup> *THE ECONOMIST*, *THE WORLD IN 2017* 126 (2017).

<sup>22</sup> See OLIVER E. WILLIAMSON, *MARKETS AND HIERARCHIES: ANALYSIS AND ANTITRUST IMPLICATIONS* (1975); OLIVER E. WILLIAMSON, *ANTITRUST ECONOMICS* (1987).

<sup>23</sup> JONATHAN HAIDT, *THE RIGHTEOUS MIND, WHY GOOD PEOPLE ARE DIVIDED BY POLITICS AND RELIGION* 21 (2012).



that we are not merely individuals but members of groups and organizations where we work together for common purposes. A World Bank study defined social capital as “the trust among people in a society and their ability to work together for a common purpose.”<sup>24</sup> The idea of social capital makes little sense unless we include the culture’s level of trust as a key feature.

The introduction of social capital into the basic discussion of economics also brings in not only the cultural values, like trust, that contribute importantly to social capital, but also the ways in which culture can influence how various peoples think about markets and marketplace competition. So now we need to address individualism and collectivism and competition and cooperation, which are two pairs of contrasting cultural attitudes that seem particularly relevant to how we view markets.

## **F. Competition and Cooperation, Individualism and Collectivism**

Remember David Livermore and his cultural dimensions? For simplicity, I’ll use his terminology. *Individualism* stands for the idea that individual goals and rights are more important than personal relationship. *Collectivism*, at the other end of the spectrum, stands for the idea that personal relationships and benefiting the group are more important than individual goals. The *cooperative* dimension stands for emphasis upon cooperation and nurturing behavior, with high value placed upon relationships and family. And the *competitive* dimension stands for emphasis upon assertive behavior and competition, with high value placed upon work, task accomplishment, and achievement.<sup>25</sup>

Before suggesting how these cultural dimensions might be useful to thinking about competition policy, let me quickly offer a few caveats. First, while stereotypes usually contain some truth, the generalizations that place a culture on a particular point on a spectrum are often highly subjective.

Second, these generalizations assume that nations have monocultures, whereas most nations are composed of diverse populations with a mixture of cultural backgrounds.<sup>26</sup>

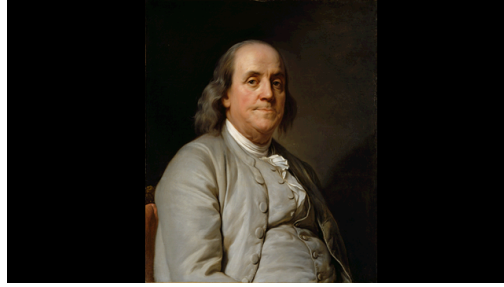
Third, there may be inconsistencies in how national cultures are placed within various scales. On the question of whether a culture is more competitive or cooperative, for example, we need to remember that firms compete against each other, but may do so by acquiring or merging with other firms that were previously independent competitors, thereby turning former competitors into internal cooperators, in the name of being better able to compete with some other rivals, possibly in foreign countries.

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<sup>24</sup> THE WORLD BANK, *WHERE IS THE WEALTH OF NATIONS? MEASURING CAPITAL FOR THE 21<sup>ST</sup> CENTURY* xvii (2006).

<sup>25</sup> LIVERMORE, *supra* note 4 at 101. *See generally*, GEERT HOFSTEDE, GERT JAN HOFSTEDE, & MICHAEL MINKOV, *CULTURES AND ORGANIZATIONS: SOFTWARE OF THE MIND: INTERCULTURAL COOPERATION AND ITS IMPORTANCE FOR SURVIVAL* (2010).

<sup>26</sup> ERNEST GELLNER, *NATIONS AND NATIONALISM* (1983).



Benjamin Franklin is both the iconic small business entrepreneur and the supreme joiner, the creator of numerous projects to benefit the commons—such as the public library and the public fire department. An important takeaway from him: *Competition and cooperation are less opposites than simultaneously present in varying proportions.*

Individualism may be typical of market-driven economies, but it can also characterize a highly cooperative culture. For example, Nordic nations cluster within the extreme individualism end of Livermore’s individualism/collectivism spectrum, along with the Anglo and Germanic cultures. But the Nordic countries also cluster within the extreme cooperative dimension, whereas the Anglo and Germanic clusters are located within the extreme competitive end of the cooperative/competition spectrum. The interplay of value dimensions is complex, to say the least. It is possible to be both individualistic and cooperative at the same time, but presumably difficult to be at the extreme end of each spectrum.

Another caveat: while cultural values are generally slow to change, they do in fact change, and not all values change at the same pace. Placing nations on cross-cultural scales must keep pace with changing values and their changing interactions. One resulting question is: How do we decide when to conclude that a culture has changed?

Finally, when we describe a culture as having a certain characteristic, are we assuming that this characteristic will be equally applicable to the nation’s economy, recreation, and education, to take three important concerns of a society? Given the differences in these institutions and the fact that institutions can reciprocally affect culture, it seems unlikely that a cultural disposition toward competition, for example, will necessarily infect all of the nation’s institutions similarly.

Taking these caveats on board, I nonetheless want to suggest that we can learn a lot about competition policy if we try to place various categories of economic behavior on an international cultural spectrum.

If we do this with the behavior category of “cartels”, for instance, the competition/cooperation spectrum seems to work fairly well. We can display the US at the extreme competition end of the spectrum, because it actively enforces an anti-cartel policy both as to domestic and international cartels, and it not only levies material fines on corporations and individuals, but it regularly puts individual cartelists in jail. U.S. law also provides for private suits, including class actions, in which treble damages are available. Proof of price fixing needs no evidence of economic effect; it is deemed illegal *per se*. This is a tough enforcement package for telling competitors “Do NOT cooperate with your rivals.”

In fact, antitrust enforcement often uses techniques such as rewarding whistleblowing to deliberately undermine the trust among conspirators that makes a cartel possible.

Weaker or non-existent anti-cartel policies of some other countries can be said to favor cooperation and can be arrayed along the scale according to their ideology and effectiveness. It is also possible to use such a spectrum to display changes over time, for instance comparing U.S. pro-cartel policy during the first New Deal's efforts to bring management, labor, and government together under the National Recovery Act, with the second New Deal's anti-cartel program under Thurman Arnold, or the European Union before and after its recent enlargement of the opportunity for civil damages in competition cases.

On the other hand, it is more difficult to apply the cooperation terminology to a monopoly. At the competition end of the spectrum, the U.S. at various times mostly in the past has been relatively tough on monopolies, for example by defining monopoly power liberally, controlling against mergers that concentrate power, and using structural breakup as a remedy. Other nations, particularly nations with small markets that cannot support more than one efficient firm, or where cronyism supports monopoly, or where the state owns most of the economy directly, would be placed toward the cooperation end of the spectrum.

But I have to admit, it feels awkward to say that monopoly is the extreme version of cooperation. So here I would use the term "collectivism" and would simply marry the two spectrums, so that on the one end we would place the values of individualism and competition, and on the other the values of cooperation and collectivism. I would call this "the competition spectrum".

Now, another important category of economic behavior relates to vertical relationships, i.e. the relation within a supply chain between a buyer and a seller. U.S. competition policy often ignores vertical relationships, noticing only the cooperative nature of a voluntary buyer/seller contract aimed at a common goal. A dissenter was the late Robert Steiner, who had been a successful merchant before becoming an FTC staff economist. He argued that the supplier and the buyer are in a cooperative mode in trying to maximize the overall revenue that their relationship can generate, but they are also, importantly, in a competitive fight over the ultimate consumer's dollar.<sup>27</sup>

It is dangerous to overstate the cooperative nature of vertical relations. A number of nations, including Japan, Korea, and Germany, have outlawed what is known as Abuse of Superior Bargaining Power, something less than and indeed different from monopoly or monopsony power. These countries give relatively small firms some ability to fight back against coercion by more powerful firms who are not deemed monopolists or monopsonists.

Cultural values such as respect for hierarchy and distrust for government might play a role in the difference between U.S. reluctance to protect abused small businesses and our major trading partners' greater willingness to regulate.

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<sup>27</sup> See Gregory T. Gundlach & Albert A. Foer, *Combining Horizontal and Vertical Analysis in Antitrust: The American Antitrust Institute's Roundtable on the Implications of the Work of Robert L. Steiner*, 49 THE ANTITRUST BULL. 821 (winter 2004). Also see ADAM M. BRANDENBURGER & BARRY J. NALEBUFF, CO-OPERATION 4 (1996).

Let me add this. Remember our discussion of the different ways a Westerner and an East Asian might process information? I have the impression that vertical relationships are generally viewed in the U.S. with a categorical focus on horizontal competition. Governments in some other cultures may apply a more holistic, relational mentality. This in mind, we might debate whether differences in mental processes of Westerners and East Asians reflect cultural differences or neurobiology or a combination.

For now, science seems to say that there are no genes for competition or cooperation, but that cultures can evolve along the natural selection lines that Darwin set out for nature. It is particularly interesting to see what happens as scientists increasingly learn how various parts of the brain participate in human behavior. For instance, we know that a brain hormone called oxytocin helps create trust in other people. It can be sprayed into a nostril and the effects can be studied. It might earn a Nobel Prize to invent an oxytocin bomb that can be dropped on the Korean peninsula, for instance, to generate peninsular peace.

Unfortunately, we've learned, while oxytocin increases the bonding of members of the in-group, it also increases their antipathy for members of the out-group. The We versus Them aspect of our cultures (and maybe our brains) will likely remain the principal obstacle to universal conflict resolution.<sup>28</sup>

### **G. Culture, Politics, and Theory**

The final topic I want to touch on is that competition policy is not likely to *directly* flow from a culture because there are typically a variety of varying subcultures involved in the generation of any governmental policy. The International Competition Network or ICN is a voluntary organization composed of national competition authorities from about 130 nations. The ICN advocates creation of a competition culture in each country. The goal is reasonable, since it would be more efficient to have all market-oriented countries following the same rules in the same manner. The question is how much similarity is realistic.

It must be noted that the ICN is composed of a subculture of law enforcers who largely buy into a set of fundamental ideas about the value of competition and the appropriate government role. These enforcers have the dominant say in the priorities and style of competition enforcement, but they in turn depend upon a subculture of politicians who legislate and judges who interpret the framework, and these in turn, whether in a democracy or otherwise, are embedded in a citizenry which has various cultural biases, but unfortunately does not reflect deep understanding of how the economy works or where competition policy fits in.

Thus, it is a political process that determines where on the competition spectrum particular categories of behavior should be placed. There is little reason to think that a group of economists such as the Chicago School, should make these decisions. Rather the laws and practices of particular nations will normally bubble up from a combination of strong and weak cultural values, of institutions, politics, current knowledge of economics and other scholarly disciplines.

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<sup>28</sup> SAPOLSKY, note 1 *supra*, has a chapter on “We Versus Them” which nicely covers this topic.

When different sovereign nations make the determination of how they will treat categories of economic behavior such as monopoly, mergers, cartels, vertical restraints, foreign trade, corporate governance, and so forth, deeply held values in the society are likely to come into play. These are questions about how to organize an economy within a particular context, after all.

We have to deal with the implications of a global system based on sovereign nations. Brexit, problems in the E.U., and unhappiness here in the U.S., not to mention President Trump's recent comments to the General Assembly of the U.N., reflect aspects of dissatisfaction with globalization. Many of us might prefer a big, free-flowing global market governed by a single code of rules and practice, but variations in cultural heritage are likely to result in various market-oriented states treating the same kinds of economic behavior differently. Sensitivity to the cultural aspects of competition and cooperation should constrain overly optimistic expectations for global harmonization of antitrust enforcement while at the same time opening a pathway for domestic liberation from universal-sounding theories of efficiency-only economics.