

Regulation of the Exploitative Abuse: Policy Initiative and Practical Dilemma

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Abstract

This article studies the treatment of exploitative abuse from the viewpoint of economic analysis. The evidence shows that it is difficult for the competition authority to regulate the exploitative abuse case for the sake of many practical reasons such as the gathering of market information, the definition of the market, and the identification of critical threshold for the price or profit variable. Therefore, the authority has to be cautious in implementing this kind of regulation and regards it as an urgent policy to deal with the extraordinary emergencies.

Key words: exploitative abuse, regulation, monopoly.