

# The Challenge of Inequality in the (liberal) Competition Paradigm

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# The Challenge of Inequality

- Evidence of rising inequality; rising concentration
- Questions the sanctity of the competition paradigm
- *“Modern inequality is said to be just because it is the result of a freely chosen process in which everyone enjoys equal access to the market and to property and automatically benefits from the wealth accumulated by the wealthiest individuals, who are the most enterprising, deserving and useful.”* Piketty, *Capitalism and Ideology*.
- In some ways this is the challenge between formal and material justice; the challenge of economic power in civil law society

# Emerging Paradoxes

## **Paradox in the goals of competition law**

Instruments that seek to correct inequality seem to “*run directly counter to the idea of consumer welfare in the technical economic sense*” and the free market myth.

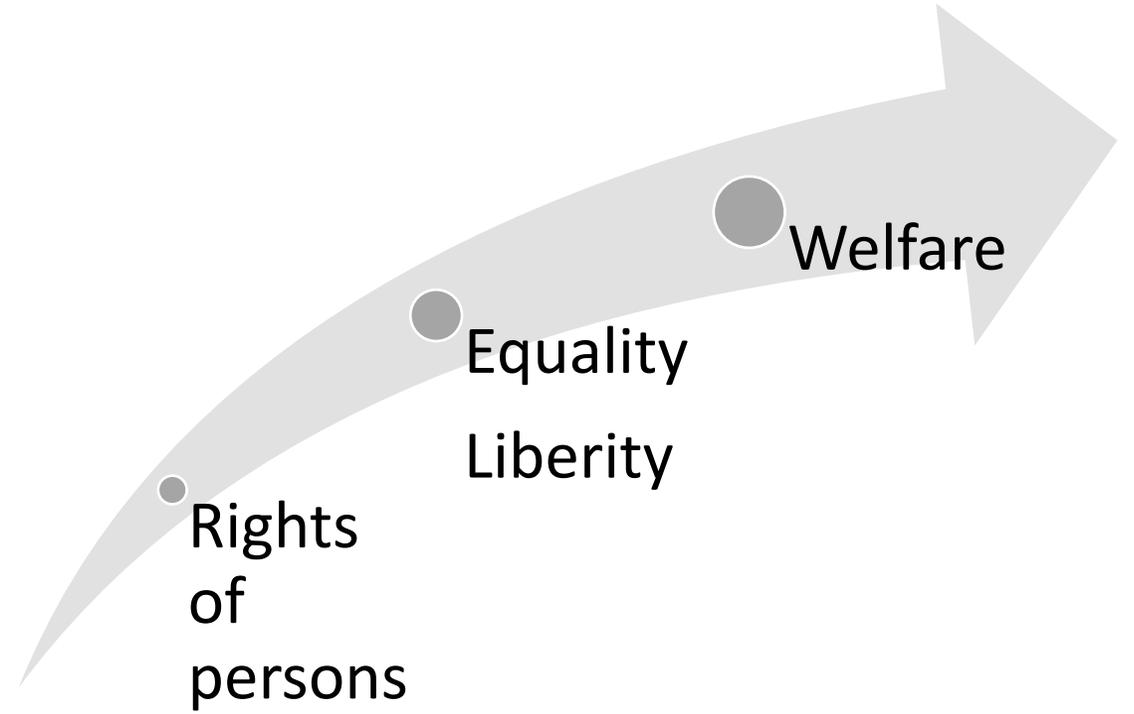
## **Paradox in relation to the way we see economic power and concentration**

Tech giants and manifestation of concentration are simultaneously seen as ‘monopolists’ and as great innovators under extreme competitive pressure.

# Reflexive Modernisation

- Modernisation is not a linear process
- Modernisation becomes discursive or critical of its own foundations
- Modernity becomes its own theme

# Modernity I

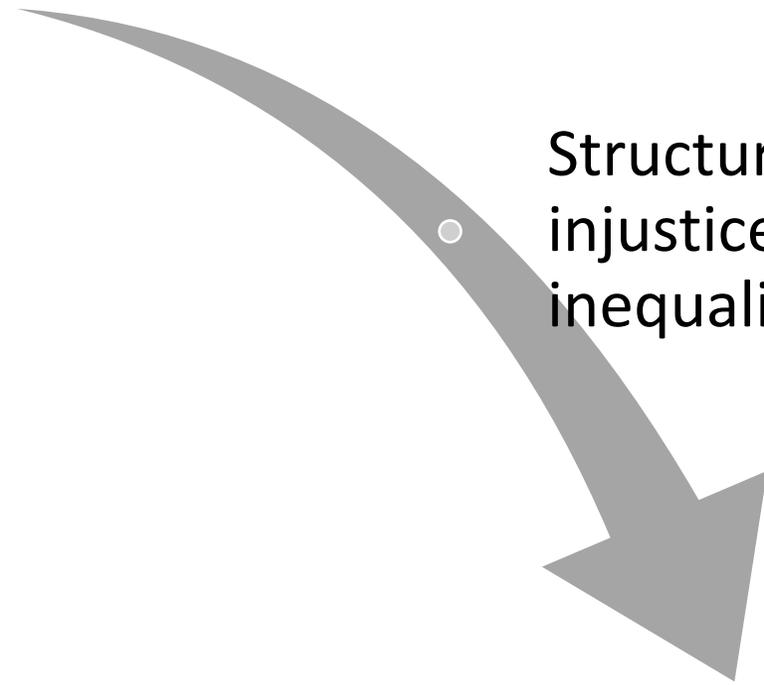


# Modernity II

Empirical  
man

Structural  
injustices and  
inequality

Impoverishment  
and destruction



# Reflexive Modernisation – two meanings

What this means for competition law

Competition law progressively riddled with paradoxes  
Competition law's struggle to identify power makes it reflexive  
Challenges the formulation of the goals of competition law and its  
conceptualisation as an instrument of only formal or procedural  
justice

## Reflexivity I: Paradoxes emerge

- Man is both free and not free
- Markets lead to welfare and prosperity but also to impoverishment and destruction

## Reflexivity II: Modernity erodes its own conditions

„Despite the excess of wealth that characterises modern capitalism, *civil society is not rich enough – its own resources are insufficient to check excessive poverty and the creation of a penurious rabble (poverty).*“ - Hegel

# What this means for competition law

- Competition law progressively riddled with paradoxes
- Competition law's struggle to identify power makes it reflexive
- Challenges the formulation of the goals of competition law and its conceptualisation as an instrument of only formal or procedural justice