Review of: "Measuring the Deviations from Perfect Competition: International Evidence"

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Potential competing interests: No potential competing interests to declare.

The research abstract you provided seems well-constructed, but there are a few areas where clarification or improvement could be made:

Clarity on Methodology:

- The abstract mentions using aggregated macroeconomic data for 43 countries, but it would be beneficial to provide more details about the specific data sources, time periods, and variables used in the analysis.

Precision in Terminology:

- The use of "weaker-form" and "stronger-form" Perfect Competition could be confusing without a clear definition or explanation of these terms. Consider providing concise definitions or references to existing literature that defines these forms.

Explanation of Concepts:

- The abstract mentions testing the microeconomic condition for Perfect Competition in macro data. This might require a brief explanation of how microeconomic conditions are inferred or related to macroeconomic data, especially for readers less familiar with economic terminology.

Clarification on Cointegration:

- The abstract introduces cointegration as a criterion for the weaker form of Perfect Competition. It might be helpful to briefly explain what cointegration means in the context of the study to make it more accessible to a broader audience.

Quantification of Findings:

- The abstract mentions testing whether the price level is equal to the marginal cost in the long run, but it would be helpful to include some information on the quantitative methods used and potential findings.

Clarity and Consistency in Terminology:

- The use of "Perfect Completion" in the last paragraph seems to be a typographical error. It should be consistent with the earlier usage of "Perfect Competition." Ensure consistency in terminology throughout the document.

Introduction of the Objectives:

- While the introduction mentions the objective of confronting macroeconomic data with the microeconomic theory of Perfect Competition, it might be beneficial to explicitly state the research questions or hypotheses that the study aims to address. What specific aspects of Perfect Competition are being tested?

Methodology Clarification:

- The introduction could provide a bit more detail on the specific methodologies or statistical techniques used to test for Perfect Competition. Briefly mentioning the techniques used would give readers a better understanding of the research approach.

The methodology chapter appears well-structured, but there is a point of clarification that could be made:

Clarification of Variable Names:

- In the equation for the total cost curve (TCt) and the marginal cost (MCt), it would be helpful to explicitly state the meanings of the variables α, β, yt, and MCIt. This clarification ensures that readers clearly understand the significance and interpretation of each variable in the context of the study.

The conclusion chapter provides a comprehensive summary of the study, but there are a few areas where clarity and precision could be improved:

1. Clarity in Terminology:

- In the sentence "A stronger-form of competition exists only if the price level is equal to the marginal cost in the long run," it might be clearer to specify that "Perfect Competition" is being referred to. The term "stronger-form of competition" might be less familiar to readers.

2. Clarity in Reporting Results:

- The passage that begins with "The results are informative" could be made more explicit in presenting the key findings. Consider breaking down the results into bullet points or concise statements to enhance readability and comprehension.

3. Discussion of Deviations:

- The term "deviations from the 45° line" is used to describe the competitiveness of economies. It would be helpful to briefly explain what these deviations signify in the context of the study. For example, do smaller deviations indicate a closer alignment with Perfect Competition?