

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

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The paper's results rely on the key assumption that the total cost curve is a quadratic function of output (see equation 5). A more extensive discussion, also based on the previous literature, is required to explain such assumption, which I find very restrictive and difficult to justify.

The paper concludes that: "The majority of the countries exhibit a weaker form of Perfect Competition, where the price level and the marginal cost only share a common trend in the long run." It seems to me that such a conclusion is in contrast with a good number of papers showing that market concentration and firms' mark-up increased dramatically in the last decades (see, among others, Autor et al. 2020 and De Loecker et al. 2020). Some comments on this rather surprising result are due.

## Bibliography

De Loecker J., Eeckhout J., Unger G., (2020). The Rise of Market Power and the Macroeconomic Implications, *The Quarterly Journal of Economics* 135, 561-644.

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