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*“Continuous” Regulatory Reform at the Federal Trade Commission*

49 Admin. L. Rev. 859 (1997)

Abstract by Alex M. Johnson

This article addresses the Federal Trade Commission’s (FTC) enactment of “continuous” regulatory reform that integrates the agency’s internal Bureau of Economics and uses economic theory in the form of cost-benefit analysis as an instrument of decision-making. A cost-benefit analysis allows agencies to realize the effect of burdensome regulations and concentrate on other areas of reform. Using the FTC as a template, the author illustrates the significance of various FTC policies that effectuate market growth and competitiveness. Additionally, the article emphasizes the considerable benefits afforded to consumers. Among the examples cited, the author discusses the likely effect on consumer confidence if the FTC had not prevented a company from making false advertising claims; the agency’s challenge to a complex merger transaction that would have created the largest cable television conglomerate; and the role that the FTC played in advising the Federal Energy Regulatory Commission (FERC) on the interplay between economic markets and energy, leading to increased competition and ultimately lower electricity rates passed down to consumers. Finally, the article concludes with a discussion of the FTC’s integrated approach to measuring industry practices that includes economists, as well as historical paradigms of effective and ineffective regulatory methods, in order to achieve successful results from cost-benefit analysis.