The ABA’s Transportation Antitrust Handbook is an ambitious effort to bring under one volume the complicated world of a subsection of regulated industries. Regulated industries have common themes spanning across them: Questions of vertical integration and foreclosure, open access, and horizontal market power. No less important are how agencies establish rules of the game under which the market players operate, and the conflict that sometimes arises between regulatory policy and sound antitrust policy.

The ABA Transportation Handbook is laid out by transportation category. Commencing with the trucking industry, the book gives a nice history of trucking deregulation. However, I would have liked to see more interplay between the trucking and railroad chapters, as that history is one of intermodal competition, including battles for and against regulation to assure competitive advantage. While it is mentioned briefly in this chapter, many of the problems that arise in terms of mergers and consolidation (including the Surface Transportation Board’s (STB) reluctance to challenge railroad mergers) arise from that overarching issue. One might be reminded of this lesson as one thinks about how the FCC treats telecomm mergers and competition between DSL and cable.

The chapter on railroads is the next well-written chapter, describing the intricacies of regulation, from the Interstate Commerce Commission to its offspring, the STB. With respect to mergers, the history of the STB is one of rigorously enforced consolidation, even in the wake of DOJ objections: “Since 1920 it has been the public policy, as enunciated by Congress, to reduce the number of competing railroad systems.” Nonetheless, the chapter does a good job of articulating the “standards” the STB purports to use to evaluate railroad mergers. The last section of the chapter, the Future of Railroad Regulation, probably was not a necessary addition, as Congress has exerted little effort to assure a competitive future for railroads and not much can be discerned from repeated attempts at reform that have been consistently thwarted.

If the chapters on surface transportation are a sad reminder of decades of regulatory neglect, one might read the airline chapter as a sad reminder of the recent decade of Department of Justice oversight in assuring the consolidation of the airline industry. The book discusses, in two pages, the wave of mergers allowed without much challenge in the past decade. Of course, this is not a failure of the

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book, but rather a failure of enforcement to have much material for the authors of the book to write about.

The remainder of the airline chapter is a well-written discussion of the history of airline regulation and an excellent primer on airline economics. I would recommend the chapter to anyone seeking to have a greater understanding of the industry. I do, however, wish there was a greater discussion of fares and fees and a more in-depth discussion of whether asserted efficiencies have actually panned out.

The final chapter of the book addresses ocean shipping. This chapter reads a bit differently than the others, perhaps because there is not so much interplay of competition policy, with ocean shipping more vigorously walled off from antitrust enforcement than the other industries. This chapter provides a good discussion of the Scylla of ocean regulation and the Charybdis of antitrust enforcement.

There is an all-too common theme in the discussion of mergers. As p. 254 of the book states: “[T]he ocean shipping industry remains less concentrated than...aviation or rail. Mergers in the industry have drawn little enforcement interest for this reason.” Exactly. The lesson of the previous chapters is that even if it were as concentrated, there would still be little enforcement interest. Maybe Santayana was right.

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