

policies that have developed in Japan and continental Europe. Both Europe and Japan use administrative guidance as the first resort, fines as a last resort. The enforcement of U.S. competition policy is more "confrontational" and litigious.

Consider the evolution of competition policy in the U.S.. Over a century ago, the U.S. tackled the issue of the integration of its economy and focussed on economic development through competitive market structures, including by busting up dominant trusts and monopolies. In the 1970s and 1980s, the focus in the U.S. shifted from structuralism to efficiency considerations, and since then, more narrowly, to firm behaviour issues. The role of government regulation and intervention, especially in technologically advanced industries, has always been hotly debated in the U.S..

To succeed in a global information-based economy, large and small companies need to tap into global networks and meet global standards. World-class businesses need local communities that command good infrastructure, innovative thinkers, workers with superior production skills and international traders who sit at the crossroads of cultures and manage the intersections. To create and sustain world-class capabilities, communities need a way to bring people together to define the common good, create joint plans and identify strategies that benefit a wide range of people and organizations. Business leaders must understand how strong local communities can help them become more globally competitive.¹⁶⁵

In this Paper, we have argued that U.S. corporations and law largely ignore communitarian concerns. In a knowledge-based economy, however, a profit maximizing agenda that leaves out social and community interests may not be optimal. Businesses derive advantages not only from creating company-specific resources but from establishing linkages outside the company in the community as well. This view is well captured by Peter Drucker:

[I]ndividuals, and especially knowledge workers, need an additional sphere of social life, of personal relationships, and of contribution outside and beyond the job, outside and beyond the organization ...
[E]very developed country needs an autonomous, self-governing social sector of community

¹⁶⁵Rosabeth Moss Kanter, "Thriving Locally in the Global Economy", *Harvard Business Review* (September-October 1995), 151-60.