



June 23, 2021

## **An Open Letter to Public Officials: Consumer Welfare Standard Should Guide Antitrust Policy**

We, the undersigned economists and legal experts, write to express concern regarding the government's approach toward antitrust and competition policy, embodied recently in federal and state litigation against tech firms, as well as legislative proposals to ban mergers or radically restructure industries. We urge public officials to be wary of antitrust activities that distort existing antitrust standards and do not focus on real harm to consumers. Such caution is especially critical now, as consumers here and around the world have benefited from the existing robust, adaptable business structures that have efficiently responded to the pandemic.

History shows that these antitrust actions and proposals have major potential to: deprive consumers of choices, limit the ability of entrepreneurs to innovate, deny workers and shareholders opportunities to build wealth, confer artificial benefits on competitors, drain "defendant" companies of capital due to legal expenses, and thwart potential growth in the economy as companies are forced to divert resources and attention to legal battles instead of innovation.

Ultimately taxpayers suffer from this heavy-handed approach as well -- a less vibrant economy not only means rising deficits from shrinking government revenues, but also less technological advancement that can make those governments operate more efficiently.

Perhaps most alarming are the notions that governments can engineer a superior "remedy" to the equilibrium markets will find, and that the consumer welfare standard should no longer guide policymakers. Proposed alternatives to this standard, such as forced break-ups, restructuring, or restrictions on business models do not serve the interests of the consumers whom public officials seek to protect.

Regardless of the particular firm under government scrutiny, the harm and uncertainty posed to businesses from expanded or excessively broad interpretations of antitrust laws are significant. These destructive and ill-fated actions imperil the economy at a pivotal point in its progress toward full recovery from the effects of the pandemic.

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