



The Daily Dish

FTC Out of the Shadows

DOUGLAS HOLTZ-EAKIN | AUGUST 16, 2022

You heard it here first. AAF has been all over the [policy shift](#) at the Federal Trade Commission (FTC) and [new standards](#) for reviewing mergers, acquisitions, and competition. These changes move away from the consumer welfare standard – the idea that mergers, acquisitions, and competition policy should be focused on the impact on consumers – and toward other, [arbitrary standards](#). A lot of these [novel](#) approaches are motivated by the [myth](#) of increasing market concentration that is nowhere to be found in the data. And there is more.

Now the mainstream media is waking up to this threat to private-sector enterprise. *The Wall Street Journal* reports: “Under Chairwoman Lina Khan, the Federal Trade Commission is questioning mergers that likely would have gone unchallenged in years past—a change Ms. Khan says is needed to prevent companies from [building up too much power](#) and [stifling competition](#). ‘In all too many areas of our economy, including agriculture, airlines, healthcare, we’ve seen significant consolidation and reduction of competition,’ Ms. Khan said. ‘Mergers have played a role in that.’”

The *WSJ* continues: “The FTC issued 42 letters of investigation over mergers or similar transactions during the 2021 fiscal year, according to the latest available data, almost double the number for 2020 and the highest in more than 10 years. Deal makers, antitrust attorneys and Republicans complain that in some cases the FTC is simply trying to slow down deals where there isn’t a credible threat to competition.”

It is overdue that the mainstream press has noticed the radical shifts at the FTC. We are even more overdue for a debate on the notion that the FTC should give up on maintaining the welfare of the average American in favor of a policy driven by progressive grievances.