

The State of the Biden Administration's Competition Agenda

For the past 40 years, powerful corporations have rigged the rules of the economy in their favor. Most industries have consolidated into a few powerful monopolies, at the expense of working Americans, consumers, small businesses, and communities across the country. Regulators and enforcers in Washington let this happen, waving through merger after merger. So today, whether it's Big Tech, big banks, big pharma, or big agriculture, giant corporations use their market dominance to kill competition, underpay American workers, raise prices, and reduce consumer choice—all in the name of historically high profits.

From the beginning of his administration, President Biden has made it a priority to change this trajectory. He signed a historic [Executive Order on Promoting Competition in the American Economy](#) that directed agencies to restore a competitive and fair economy, and he appointed enforcers willing to use their agencies' legal authorities to rebalance economic power on the side of consumers, workers, and small businesses.

At the State of the Union address before the November election, the President should take pride in how the FTC, DOJ, CFPB, NLRB, and DOT are challenging the power and control that big corporations have over the economy: Google, Amazon, Kroger and Albertsons, JetBlue, Walmart, Meta, UnitedHealth Group, Penguin Random House, and more. The Biden administration enforcers and regulators are fighting to ensure that everyday Americans have choice and pay fair prices: whether it's for groceries or airline tickets; that workers are paid good wages and are unburdened by exploitative non-compete agreements; and entrepreneurs and small businesses can access a level playing field to thrive.

Some practical and concrete results of Biden's competition agenda are:

- Airfares are [3% lower](#) than prior to the pandemic in January of 2020, and the 2023 holiday travel season had the [fewest flight cancellations since 2014](#). This is the result of blocked airline mergers and regulatory initiatives, such as a record \$140 million fine against Southwest over mass flight disruptions.
- Bank overdraft fees have [dropped](#) by half since 2019, saving the average family \$150, as a result of regulatory action by the CFPB.

- Inhalers and insulin list prices are dropping due to the American Rescue Plan Act of 2021. The price of Astrazeneca's SYMBICORT inhaler is down by 40%, the prices of Eli Lilly's Humalog KWIKPEN is down by 70%, and the price of Sanofi's Lantus Solostar is down by 78%.
- Compared to 2022, turkey prices [dropped 22%](#) for Thanksgiving in 2023. Pork prices also fell last year, in part because of Biden antitrust action against price-fixing in the turkey and pork industries.
- Americans have started a record number of businesses since the Biden administration started, with 5.5 million new business applications in 2023. The Biden administration's rescue plans ensured Americans had the capital to spur this entrepreneurial surge.

Taking on corporate power is [popular](#) with a majority of voters across party lines. In this memo we highlight the tangible economic gains this historic whole-of-government competition agenda has delivered for working class Americans, among the administration's most meaningful accomplishments. The job isn't done, but it is important to recognize the accomplishments of this administration so far.

Big Actions Against Big Tech

The Biden administration has led the charge in challenging Big Tech's control over our lives. The FTC filed a monopolization [lawsuit against Amazon](#), challenging the company's illegal practice of prohibiting third party sellers on Amazon from discounting their prices, all while Amazon siphons off as much as 50% of every sale. This past fall, the DOJ [put Google's online search monopoly on trial](#), showing that Google illegally monopolizes internet search by paying off device companies like Apple to the order of \$26 billion per year to lock itself in as the default search engine.

The administration has acted to protect working Americans' and childrens' data from Big Tech's data surveillance practices, with the FTC [fining Epic Games \\$520 million](#) for tricking users to make unintended purchases and violations of children's privacy laws. The FTC has stopped a string of corporations from selling or illegally sharing personal information, from data broker Outlogic [selling location data](#) and [health information being shared with Facebook and Google](#), to [BetterHelp](#) and [GoodRx](#) illegally selling Americans' health data.

On top of this, The administration is blocking mergers that would result in higher costs and stifle innovation and product development, including the [\\$20 billion Adobe-Figma software merger](#) and [Nvidia's attempted \\$40 billion acquisition of chip design firm Arm](#). Arm has successfully gone public and its share price has more than doubled.

Taking on Big Banks

The Biden administration CFPB is cracking down on big banks who nickel and dime working Americans. The CFPB made Wells Fargo [return more than \\$500 million in illegal charges and surprise fees to consumers](#) and fined the bank a record \$1.7 billion for consumer protection violations. Regions Bank landed a [\\$191 million penalty](#) for similar violations. The CFPB is saving Americans billions of dollars per year by [prohibiting banks from charging excess credit card late fees](#), reducing the maximum from \$41 to \$8, and the CFPB is cutting or prohibiting bank junk fees like [overdraft](#) and [insufficient funds](#) fees.

Under Chair Lina Khan, the FTC sued retail giant Walmart for making money by facilitating [money transfer scams](#) that fleeced consumers out of hundreds of millions of dollars, and they [recovered \\$115 million](#) for working families who were scammed on the payment platform MoneyGram. The FTC also sued TurboTax maker Intuit for [deceptive ads about “free” tax filings](#) where filers actually had to pay.

After decades of rubber-stamping bank merger after bank merger—at the expense of local communities and businesses across the country—the Biden administration is [overhauling its approach to bank mergers](#). Following the dangerous consolidation in banking last year with the country’s largest bank, JP Morgan, acquiring First Republic Bank, we are now seeing even more dangerous consolidation of banking with Capital One hoping to acquire Discover. The [DOJ plans](#) to challenge illegal bank mergers, but we hope that President Biden encourages the Federal Reserve, the FDIC, and the Office of the Comptroller of the Currency (OCC) to join this effort against further bank consolidation.

Taking on Big Pharma and Cutting Healthcare Costs

[Half of Americans](#) say affording healthcare is a challenge, and the administration has focused on enforcement and reforms that will benefit tens of millions of families. The Biden administration has [capped the price of insulin for seniors](#)—which has led pharmaceutical companies to cap insulin costs for everyone—and saved patients thousands of dollars by [making hearing aids available over the counter](#). The FTC [challenged more than 100 patents](#) that pharma giants like AbbVie, Mylan, and Glaxo-Smith Kline have used to keep medicines like insulin and asthma inhalers prohibitively expensive.

The DOJ caught two pharma giants [price-fixing generic drugs](#) and made them pay more than \$300 million in fines, and the FTC [clawed back \\$40 million](#) from “Pharma Bro” Martin Shkreli’s firm to return to the patients he defrauded. The administration has blocked or forced abandonment of harmful healthcare mergers, including [unwinding the Illumina-Grail merger](#) that would have created a monopoly over cancer-screening tests, and the [DOJ is now investigating insurance giant UnitedHealth Group](#) for monopolization, after years of UnitedHealth acquiring physicians practices.

While the FTC [launched an investigation](#) of pharmacy benefit managers (PBMs) for [commercial bribery and illegal kickbacks](#) that raise the price of drugs and put independent pharmacies out of business, we hope that President Biden pushes HHS to reverse [its current position](#) and use its own authority to [prohibit kickbacks](#) for PBMs.

Taking on Big Ag

The FTC is [enforcing the “Right to Repair”](#) against corporations that prohibit consumers and farmers from repairing their own products or equipment, so farmers and ranchers can do their own lower-cost maintenance on their tractors and combines.

The DOJ sued a consultancy helping meatpacking giants Cargill, Tysons, and JBS to [fix prices in the meat industry](#), prohibited [Koch Foods from trapping chicken growers in exploitative contracts](#), and [sued agribusiness giants Syngenta and Corteva](#) for paying off distributors to raise pesticide prices for farmers. The USDA and DOJ launched an online tool allowing farmers and ranchers to [anonymously report anti-competitive practices](#) in the livestock and poultry sectors.

But there’s more to do. Meat packers and dominant processors in the ag and food industry create unfair markets rigged against farmers and ranchers. President Biden’s Executive Order on Competition directed the USDA to complete several rulemakings to implement the Packers and Stockyards Act to create fair markets. The rules are [yet to be finalized](#), and we hope USDA is exhorted to swiftly finalize them.

Taking on Big Airlines

With the airline industry more concentrated than it ever has been, the DOJ stopped [the quasi-merger “Northeast Alliance” between American Airlines and /JetBlue](#) and then blocked the proposed [merger between JetBlue and Spirit](#), which would have meant higher prices and reduced service for travelers across the country. This successful effort by the DOJ was supported by Secretary Buttigieg and the Department of Transportation.

After Southwest Airlines left tens of thousands of passengers stranded in December 2022, the [Department of Transportation issued Southwest a \\$140 million fine and required \\$600 million to be paid back to passengers](#), sending a strong message to other airlines that mistreatment of customers will no longer be tolerated. The DOT is now looking to [require airlines disclose the full cost of flying up front](#), to get rid of the junk fees that Americans face when flying.

Saving Money for Consumers

To keep food prices from going out of control, the [FTC just moved to block the megamerger between Kroger and Albertsons](#), which would increase grocery prices for millions of Americans, lead to thousands of layoffs and store closures, and further consolidate the country’s food system into the hands of even fewer corporations.

The FTC is finalizing a sweeping rule that will [prohibit junk fees](#) and require sellers across the economy to clearly disclose the actual total price of their goods and services. Ending junk fees has been an administration priority from the beginning, and already, [across the economy, companies](#) like [Ticketmaster and AirBnB](#) have begun clearly disclosing total costs.

Along with this, the FTC [banned car dealerships](#) from using junk fees and bait-and-switch tactics to rip off auto buyers, saving consumers \$3.4 billion.

Corporations also nickel and dime us by making it near-impossible to cancel subscriptions, racking up expensive and unnecessary charges for Americans, and so the FTC has proposed "[click to cancel](#)" rules that will require corporations to make it just as easy to cancel subscriptions as it was to sign up. The FTC's [ramped-up enforcement](#) is ending deceptive sign-up tactics, unauthorized charges, and recurring billing.

Protecting American Workers

The FTC is proposing a broad rule to [eliminate non-compete agreements](#) across the economy, which could lift wages by \$250 billion a year and make it easier for workers to switch to better jobs, a move [backed by the National Labor Relations Board](#).

The NLRB [made it easier for workers to get bargaining representation](#) even if they don't have a formal union, and fought back over and over against [unfair anti-union practices](#) by Amazon. After Amazon illegally withheld tips to 140,000 drivers, the FTC [returned \\$60 million to them](#).

The CFPB fined Bank of America \$250 million for [denying Americans unemployment benefits](#) and illegally freezing their bank accounts using flawed fraud detection programs, and the CFPB separately made Bank of America pay a \$10 million penalty for [illegally garnishing wages](#) of thousands of customers. And the NLRB ruled that workers don't have to [sign a confidentiality agreement](#) in order to receive severance payments they're owed.

The DOJ blocked the proposed Penguin Random House acquisition of Simon and Schuster which would have reduced competition and [decreased author compensation](#) as well as the diversity and breadth of creative ideas and stories.