

Summers Says Tougher US M&A Rules Seem Like ‘War on Business’

- New guidelines are ‘substantial risk,’ he says on Bloomberg TV
- Rules are part of effort to counter some firms’ domination

By [Ana Monteiro](#)

July 20, 2023 at 3:24 PM EDT

Former Treasury Secretary Lawrence Summers warned that the Biden administration’s crackdown on mergers and acquisitions through a sweeping overhaul of rules the government uses to determine whether deals violate competition law “seems almost like a war on business.”

“These guidelines — by moving away from an emphasis on lower prices for consumers to broader abstractions — are a substantial risk,” Summers said on Bloomberg Television’s “Wall Street Week” with David Westin. “I wish that this stepping back and offering merger guidelines had been taken as an opportunity to rationalize the policy.”

The 13 new guidelines proposed Wednesday by the Justice Department and Federal Trade Commission are part of an effort to curb the rise of companies that seek to dominate their industries by buying up rivals. The agencies are asking for public comment on the proposal over the next 60 days.

In President Joe Biden’s term, the US has reinvigorated efforts to block more mergers after decades of a light-touch approach by government.

Read more: [Merger Rules Get Tougher in Crackdown by Antitrust Enforcers](#)

Under the proposed guidelines, enforcers said they will examine multiple mergers if a deal is part of a series of acquisitions made by a company within the same market. Agencies also will focus on the impact on workers when a deal involves companies that formerly competed for labor.

“Right now, where I think where you’re moving away from low consumer prices as a standard, you’re mostly moving into problematic territory,” said Summers, a Harvard University professor and paid contributor to Bloomberg TV. “There’s been a lot of that in the last several years, and it sure seems like they’re pushing forward harder, rather than backing off.”

The US Chamber of Commerce, the nation’s largest business lobby, which has been highly critical of Biden’s antitrust enforcers, condemned the new proposal saying it upends decades of bipartisan consensus that mergers aid the US economy.

US regulators developed the new guidelines to provide greater transparency to the public and companies about how antitrust enforcers are thinking about the law as markets and industries

change, Jonathan Kanter, the DOJ's top antitrust official, said in an interview with Bloomberg TV.

— With assistance from Leah Nysten