

Political Antitrust is Back

Dr Christophe Carugati

Competition enforcement faces political interference more than ever. Politicians should leave antitrust to the experts.

Competition authorities around the world have a humble mission: protect the competitive process. As independent administrative authorities, they are empowered to police harmful conduct that distorts markets, without politics telling them what to do.

Not anymore. Political interference is back. Call it political antitrust.

Its locus is the pursuit of “*national champions*.” Politicians on both sides of the Atlantic believe that creating champions will allow their nations to be great again. In the United States, “*Make America Great Again*” (MAGA) is more than a slogan for President Donald Trump. It is an economic and political ambition to dominate global markets.

Trade retaliation has become one of its instruments. Over the last year, Donald Trump has imposed or threatened sweeping tariffs to protect U.S. interests. Tariffs are taxes on imported goods. As Americans pay more to consume foreign products and services, Trump believes that domestic production will rise accordingly, and even that tariffs will replace [income tax](#). But tariffs are not merely economic tools. They are political leverage.

Following the U.S. Supreme Court’s judgment ruling that most tariffs were illegal, [the White House](#) stressed that tariffs had already brought the world to the negotiating table on its terms. Trade and investment deals were used to open markets abroad, reshore manufacturing, and rebalance trade relations. They were also used to push back against digital regulations deemed “*unfair exploitation of American innovation*,” including digital competition regimes targeting large online platforms — most of which are American.

To some extent, this strategy worked. [South Korea](#) abandoned its digital competition bill. The [European Union](#) did not.

The EU continues to enforce its landmark Digital Markets Act (DMA), targeting Alphabet, Amazon, Apple, Booking, ByteDance, Meta, and Microsoft. It has [fined Meta and Apple](#) for non-compliance and opened several investigations. For now, Brussels is holding the line.

Global mergers between American companies will test that resistance again. Soon, the EU may have to review the sale of Warner Bros to Paramount ([after Netflix dropped its offer](#)) to create a video-streaming giant. Given the size of the companies involved, the EU could block the merger. It has done so before. In 2001, it prohibited the merger [between General Electric and Honeywell](#), two American aerospace giants, [despite U.S. approval](#). To avoid such an outcome today, the United States could again resort to trade pressure.

The idea that tariffs can influence merger decisions is not new. In 1997, [the threat of tariffs](#) on European aircraft weighed heavily in the EU's conditional approval of [the Boeing–McDonnell Douglas merger](#) in the aerospace sector. At the time, both sides of the Atlantic were promoting their national champions. As of today, little has changed.

The European Union pursues its own, softer variant of MAGA: Promoting European competitiveness.

In an influential report, former Italian Prime Minister [Mario Draghi](#) argued that the EU lags behind the United States and China largely because it missed the digital transition. A new approach in competition policy is part of the solution. [Several Member States](#), including France, Germany, and Poland, have repeatedly called for relaxing merger and state aid rules to facilitate the creation of European champions and allow firms to scale with public support.

In response, the Commission [has proposed updating its merger guidelines](#) to facilitate consolidation, particularly in strategic sectors such as telecommunications. It has also proposed simplifying [state aid rules to make subsidies easier](#). Not all Member States agree. Some fear [that looser merger control](#) will mean higher prices and reduced competition. Others worry [that relaxed state aid rules](#) will favour large Member States with deep financial resources over smaller ones. The debate is no longer purely technical. It is openly political.

Competition authorities are adapting. The United Kingdom offers a contemporary illustration. Following political pressure after [its initial prohibition of the Microsoft–Activision merger](#) in the videogaming sector, the [UK Competition and Markets Authority](#) signalled that it would exercise greater selectivity when reviewing certain international transactions, seeking to avoid duplicative scrutiny.

The ongoing review of the Getty Images–Shutterstock merger in the editorial content sector is now testing that approach. [The United States](#) cleared the deal unconditionally. [The UK](#) regulator, by contrast, identified competition concerns, which will likely require remedies to avoid a prohibition. [Getty Images](#) has already warned that it could reconsider its investment in the UK if the merger were blocked — echoing [Microsoft](#)'s earlier signals during its own review. Faced with such warnings, political pressure becomes difficult to ignore.

In the European Union, similar concerns have surfaced. During sensitive trade negotiations with the United States, the EU competition regulator faced pressure from the executive branch to avoid complicating diplomatic talks. In response, [European Parliament member Stéphanie Yon-Courtin](#) has called for the creation of an independent competition authority, institutionally separated from that branch, to ensure that enforcement decisions remain insulated from political influence.

The trend is clear: competition policy is increasingly entangled with trade strategy, industrial ambition, and geopolitical rivalry.

But this entanglement comes at a cost. When laws and enforcement are softened to avoid trade tensions or advance industrial policy, regulators risk drifting from their mandate, thereby failing to protect the economy and consumers.

Nearly three decades ago, following the Boeing–McDonnell Douglas merger, [Professor Eleanor Fox](#) offered a simple warning: politicians should leave antitrust to the experts. They would be wise to follow it.

About

Digital Competition

Digital Competition (<https://www.digital-competition.com/>) is a digital and competition expert services for businesses, law firms, and government agencies, dedicated to promoting open digital and competition policies that foster innovation. Led by Dr. Christophe Carugati, a passionate and impartial expert in digital and competition policy, we bring together legal, economic, and policy expertise to deliver cutting-edge research, strategic advice, think tank initiatives, regulatory intelligence, tailored training, and high-impact conferences. Digital Competition is committed to addressing the most pressing challenges in the rapidly evolving digital and competition policy landscape. This opinion was conducted independently and received no funding. It reflects solely the views of its author, not those of its clients, which include Amazon, Alphabet, and Apple.

This paper is part of our Digital Competition Regime Hub (<https://www.digital-competition.com/digitalcompetitionregime>). We provide research on the design, implementation, and enforcement of digital competition regimes worldwide.

Contact us for membership, service, or press inquiries.

Dr. Christophe Carugati



Dr. Christophe Carugati (christophe.carugati@digital-competition.com) is the founder of Digital Competition. He is a renowned and passionate expert on digital and competition issues with a strong reputation for doing impartial, high-quality research. After his PhD in law and economics on Big Data and Competition Law, he is an ex-affiliate fellow at the economic think-tank Bruegel and an ex-lecturer in competition law and economics at Lille University