

December 4, 2023

Lael Brainard
Director, National Economic Council
Chair, White House Competition Council
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Director Brainard,

We write to you as advocates committed to ensuring that technological development serves the common good, not just the interest of corporate monopolies. Recent advances in Artificial Intelligence (AI) have raised concerns that the technologies will be leveraged by big tech companies to further entrench their dominance.^{1,2,3} Since President Biden took office, we have applauded his Administration's efforts to combat monopolistic behavior, including through the historic 2021 executive order (EO) on competition.⁴ While we certainly welcome the Administration's recent executive order on AI,⁵ we are concerned that the EO does not sufficiently address the competition concerns posed by these technologies. Going forward, we urge you to issue further policy measures aimed at preventing AI from being wielded as a tool of monopolists.

Given the FTC's crucial role in combating monopolistic behavior in the AI sector,⁶ it is welcome that the EO calls on the FTC to exercise its rulemaking powers to "ensure fair competition in the AI marketplace" to safeguard Americans from AI harms. But at a time when Big Tech companies are racing to monopolize the AI space, we believe the Administration can further deter anti-competitive behavior in the sector through additional guidance in this area and also by more clearly addressing the power structures emerging in this market through investments in public infrastructure, empowering advances through open source software, and exploring the role of tools such as structural separation, non-discrimination, and public options to ensure broad-based prosperity from the advances in the technology. Big Tech's efforts to corner

¹ *The New York Times*, "Big Tech Is Bad. Big A.I. Will Be Worse." Daron Acemoglu and Simon Johnson, June 9, 2023, <https://www.nytimes.com/2023/06/09/opinion/ai-big-tech-microsoft-google-duopoly.html>

² *Politico*, "AI might have already set the stage for the next tech monopoly," Mohar Chatterjee, March 22, 2023, <https://www.politico.com/newsletters/digital-future-daily/2023/03/22/ai-might-have-already-set-the-stage-for-the-next-tech-monopoly-00088382>

³ Open Markets Institute (2023). *Report: AI in the Public Interest: Confronting the Monopoly Threat*. Open Markets Institute.

<https://www.openmarketsinstitute.org/publications/report-ai-in-the-public-interest-confronting-the-monopoly-threat>

⁴ Executive Order 14036, the "Executive Order on Promoting Competition in the American Economy"

⁵ Executive Order 14110; the "Executive Order on the Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence"

⁶ *Politico*, "POLITICO summit: Khan puts AI companies on notice," Rebecca Kern and Josh Sisco, September 27, 2023, <https://www.politico.com/news/2023/09/27/ai-lina-khan-monopolies-ftc-00118402>

the AI market extend well past high-profile AI ventures like Google's Bard chatbot. Indeed, Big Tech companies have also sought to expand their AI dominance by both acquiring AI startups⁷ and by buying strategic minority stakes in AI companies like OpenAI (Microsoft)⁸ and Anthropic (Google and Amazon).⁹

The high cost of maintaining AI infrastructure already gives Big Tech giants a built-in advantage in the space. As such, both the tech giants' merger sprees and efforts to control AI companies through minority stakes are dangerous to competition in the AI sector. Though many initiatives included in the EO are laudable, we believe that it is critical for the Administration to combat the harms posed by AI by taking on the monopolists seeking to leverage these harms for their own gain. Time and time again, Big Tech has shown that it will fight even modest efforts to minimize harms caused by their dominance.¹⁰ To ensure that the future of AI development will serve the interest of the public and not just enrich a handful of mega-corporations, we urge the Administration to take further action to prevent and combat anti-competitive behavior in the AI sector.

Sincerely,

The Tech Oversight Project
American Economic Liberties Project
Accountable Tech
Center for Digital Democracy
Demand Progress
Economic Security Project
Institute for Local Self-Reliance
NextGen Competition
Open Markets Institute
Public Knowledge
Revolving Door Project

⁷ Apple, Amazon, Google, Meta, and Microsoft acquired 73 AI startups by May 2023 per data available on Crunchbase, <https://www.crunchbase.com/lists/ai-companies-acquired-by-the-big-five/8b2cd454-0faa-4a09-b59f-c92555a9cb0f/acquisitions>

⁸ *The New York Times*, "Microsoft to Invest \$10 Billion in OpenAI, the Creator of ChatGPT," Cade Metz and Karen Weise, January 23, 2023, <https://www.nytimes.com/2023/01/23/business/microsoft-chatgpt-artificial-intelligence.html>

⁹ *Gizmodo*, "Google, Amazon Pour Billions Into ChatGPT Competitor, Maxwell Zeff, October 30, 2023, <https://gizmodo.com/google-amazon-invest-billions-chatgpt-competitor-1850972898>

¹⁰ *Bloomberg*, "Big Tech Wants AI Regulation — So Long as Users Bear the Brunt," Jillian Deutsch, June 27, 2023, <https://www.bloomberg.com/news/articles/2023-06-27/big-tech-companies-fight-ai-regulation-in-europe-ask-us-lawmakers-for-oversight>