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# United States Senate

WASHINGTON, DC 20510-2509

COMMITTEES  
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AND ENTREPRENEURSHIP

February 21, 2024

Jonathan Kanter  
Assistant Attorney General  
U.S. Department of Justice, Antitrust Division  
Main Justice Building, Room 1137  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

Dear Assistant Attorney General Kanter:

On February 19, Capital One—one of America’s largest and most powerful banks—announced its plans to acquire Discover Financial Services for \$35 billion, bringing 300 million Discover card users into its existing fold of 100 million customers.<sup>1</sup> As the *Wall Street Journal* reported, this merger will create “the third largest credit-card issuer by purchase volume” and “the sixth largest U.S. bank by assets.”<sup>2</sup>

This is destructive corporate consolidation at its starkest. If consummated, this merger will create a new juggernaut in the credit card market, with unprecedented powers to extort American consumers. That cannot be allowed to happen.

It is market competition—*meaningful* competition—that provides consumers with their strongest defense against a handful of predatory firms. Credit card interest rates are already out of control. Many major card rates recently soared past 30%, and cumulative credit card debt exceeds \$1 trillion. That’s why I introduced legislation last year, the *Capping Credit Card Interest Rates Act*, which would place commonsense restrictions on companies’ ability to burden consumers with these rates.<sup>3</sup> But robust competition in this sector is the most lasting antidote to this problem. And it is precisely that competition which this new proposed merger endangers.

You, in partnership with other regulators, must take the lead in blocking this merger. No doubt a legion of proxies and allies for the financial industry will soon emerge, claiming that this proposed deal will benefit consumers. That is doubtful. If the last several decades of American political economy indicate anything at all, it’s that the supposed benefits of monopoly never trickle down to the public at large. Instead, consolidation redounds to the benefit of shareholders and a handful of top executives—not ordinary Americans. That pattern is poised to play out once again.

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<sup>1</sup> <https://www.nytimes.com/2024/02/19/business/capital-one-discover-merger.html>

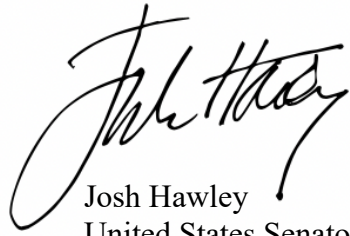
<sup>2</sup> [https://www.wsj.com/articles/capital-one-discover-banking-elizabeth-warren-lina-khan-mastercard-visa-09158755?mod=politics\\_trendingnow\\_opn\\_pos1](https://www.wsj.com/articles/capital-one-discover-banking-elizabeth-warren-lina-khan-mastercard-visa-09158755?mod=politics_trendingnow_opn_pos1)

<sup>3</sup> <https://www.hawley.senate.gov/hawley-introduces-new-legislation-cap-credit-card-interest-rates-and-provide-relief-working>

I urge you to take the first opportunity available to challenge this bad deal.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Hawley". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

Josh Hawley  
United States Senator