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## **BIDEN’S DOJ CRIMINALIZES PROFIT**

By Eric Boehm, Reason

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The Department of Justice announced Thursday that it will begin investigating companies for earning what it believes to be excessive profits amid surging inflation and ongoing supply chain issues.

In a [press release](#), the department said its antitrust division would begin to “deter, detect and prosecute those who would exploit supply chain disruptions” to earn what the department calls “illicit profit.” The goal of the initiative, according to the department, is to prevent companies from “overcharging customers under the guise of supply chain disruptions.”

The problem, of course, is that the supply chain disruptions are quite real—and inflation across the economy is the result of both those large-scale issues and government actions, including last year’s \$1.9 trillion stimulus bill and protectionist policies. To the extent that private companies are raising prices, those things are the likely culprits—and higher prices are the market’s way of allocating scarce goods most efficiently, not evidence of price gouging.

“The DOJ and FBI would rather launch a global investigation of ‘illicit’ supply chain profiteering than acknowledge the obvious and inevitable result when unprecedented fiscal and monetary stimulus combines with decades of protectionism and regulatory sclerosis,” says Scott Lincicome, director of general economics and trade policy for the Cato Institute, a libertarian think tank.

But this announcement from the DOJ is more than just a fishing expedition. It suggests that the mighty law enforcement apparatuses of the federal government are following Sens. Elizabeth Warren (D–Mass.) and Bernie Sanders (I–Vt.) into the fantasy world where the profit motive is responsible for inflation. That cockamamie conspiracy theory becomes less funny when the FBI is empowered to charge companies for “illicit profits” as they try to keep shelves stocked in an environment of scarcity.

Warren has been [trying to blame corporations for inflation](#) since last year. She’s lobbed attacks at big oil companies and small grocery stores—a famously [low-margin business](#)—for trying to take

advantage of supply chain issues to screw customers. As if businesses suddenly became more greedy within the past year after previously not caring about profits, I guess?

This week, Sanders climbed into the clown car too, tweeting that “Gas prices are at the highest level in 7 years” due to “corporate greed, collusion & profiteering.”

These are economically illiterate takes, though hardly unexpected ones. Warren is a broken record when it comes to blaming billionaires and corporations for everything from high college costs to the lack of affordable housing to the current supply chain problems. Just as reliably, she ignores the role that government has played in creating or worsening those problems—by subsidizing student loans, imposing restrictive zoning laws, and implementing trade-limiting rules like tariffs and the Jones Act, for example.

It’s one thing for a few senators to rile up their populist bases with nonsensical tweets. It’s another thing to see that same nonsensical argument backed by the FBI and Department of Justice—and into the White House’s economic policies, as they already have.