

Key Takeaways: House Judiciary Subcommittee Hearing on “The Elite Universities Cartel”

June 5, 2025

On June 4, 2025, the House Judiciary Subcommittee on the Administrative State, Regulatory Reform, and Antitrust (the “Subcommittee”) held a hearing on “The Elite Universities Cartel: A History of Anticompetitive Collusion Inflating the Cost of Higher Education.” The hearing lasted approximately two hours and featured four witnesses: Dr. Preston Cooper, a senior fellow at the American Enterprise Institute; Scott Martin, a partner at Hausfeld LLP; Alex Shieh, a student at Brown University; and Dr. Julie Margetta Morgan, president of the Century Foundation.

The key takeaways from the hearing are:

- Majority Subcommittee members alleged that pricing collusion, bureaucratic bloat and artificial scarcity have combined to cause the cost of higher education to skyrocket, particularly at elite institutions.
- The Majority emphasized the risk that Ivy League universities may have continued to engage in price-fixing after the 2022 expiration of an antitrust exemption granted by Congress. The witnesses declined to speculate about whether such practices are ongoing.
- Majority members and witnesses argued that the rapid growth of administrative positions at elite institutions has directly contributed to rising tuition prices. Notably, the witnesses urged the Subcommittee to subpoena university presidents to testify about this issue.
- The Majority contrasted U.S. elite universities with foreign ones, asserting that foreign schools do not employ large bureaucracies and as a result are able to offer education at a fraction of the cost of the U.S. universities.
- Majority members expressed concerns about free speech on U.S. college campuses, the alleged lack of viewpoint diversity at elite institutions and potential discrimination against conservative students and faculty. They also suggested that

there is a double standard whereby students who speak out against administrative waste are treated more harshly than those protesting against Israel.

- Majority members expressed concerns about alleged foreign influence in higher education and the significant number of Chinese students studying in the United States. One Majority member praised the DETERRENT Act, which expands universities' foreign funding reporting obligations and recently passed the House, as "important legislation" that would shed light on the extent of foreign influence. A Majority member also cited a recent *Wall Street Journal* [article](#) that highlighted institutional connections between U.S. universities and Chinese government officials.
- Minority Subcommittee members criticized the hearing's narrow focus on a small number of elite institutions, arguing that these schools have minimal impact on the cost of higher education for the vast majority of American students.
- While expressing concern about the cost of higher education, Minority members emphasized that proposed cuts to Pell Grants and subsidized student loans in the recently passed House budget bill would make education less accessible.
- Minority members argued that reductions in federal and state funding, the potential elimination of the Department of Education and the Trump administration's legal actions against universities and international students undermine America's economy and research capabilities.

* * *

Please do not hesitate to contact us with any questions.

The authors thank summer associate Matthew West for his contributions to this publication.



David A. O'Neil
Partner, Washington, D.C.
+1 202 383 8040
+1 202 809 1995
daoneil@debevoise.com



Jane Shvets
Partner, New York/London
+1 212 909 6573
+44 20 7786 9163
jshvets@debevoise.com



Carter Burwell
Counsel, Washington, D.C.
+1 202 383 8149
cburwell@debevoise.com



John Sullivan Baker
Associate, Washington, D.C.
+1 202 383 8113
jdsullivanbaker@debevoise.com



Cameron B. Wolfe
Associate, Washington, D.C.
+1 202 383 8279
cbwolfe@debevoise.com