

MARCH 2021

# ANTI-MONOPOLY ACTIVISM

Reclaiming Power  
through Racial Justice

BY

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Solana Rice



## Acknowledgements

Liberation in a Generation extends its gratitude to the wonderful advisory group members and interviewees who contributed to this report. We thank you for your time, insight, and solidarity. Special thanks to LibGen Program Coordinator Katie Ly. This report was edited by Kendra Bozarth and designed by Sam Scipio.

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**Jeremie Greer** and **Solana Rice** are the co-founders and co-executive directors of Liberation in a Generation, a national movement-support organization working to build the power of people of color to totally transform the economy.

# "No republic is safe that tolerates a privileged class, or denies to any of its citizens equal rights and equal means to maintain them."

Frederick Douglass

The year 2020 was painful and demanding for almost everyone, and it brought distinct darkness and despair to people of color.<sup>1</sup> A global pandemic, which has killed us at an alarmingly higher rate, forced “essential workers” of color to risk illness and death to keep the gears of a sputtering economy churning.

In spite of this suffering and sacrifice, the future for predominantly white corporate monopolists has never been brighter. Excessive and unrestrained capitalism has enriched a small group of wealthy elite corporations and individuals by concentrating the nation’s economic and political power under their control—a mutually reinforcing, vicious cycle. Between March 18 (the unofficial beginning of the pandemic in the US) and November 24, 2020, 644 billionaires increased their combined wealth by \$931 billion dollars (from \$2.95 trillion to \$3.88 trillion, or a rise of 31.6 percent).<sup>2</sup> This occurred even as poverty deepened and the October unemployment rate hit nearly double its pre-pandemic low. Some in this elite class of corporations and individuals have used their accumulated power to concentrate markets that are fundamental to

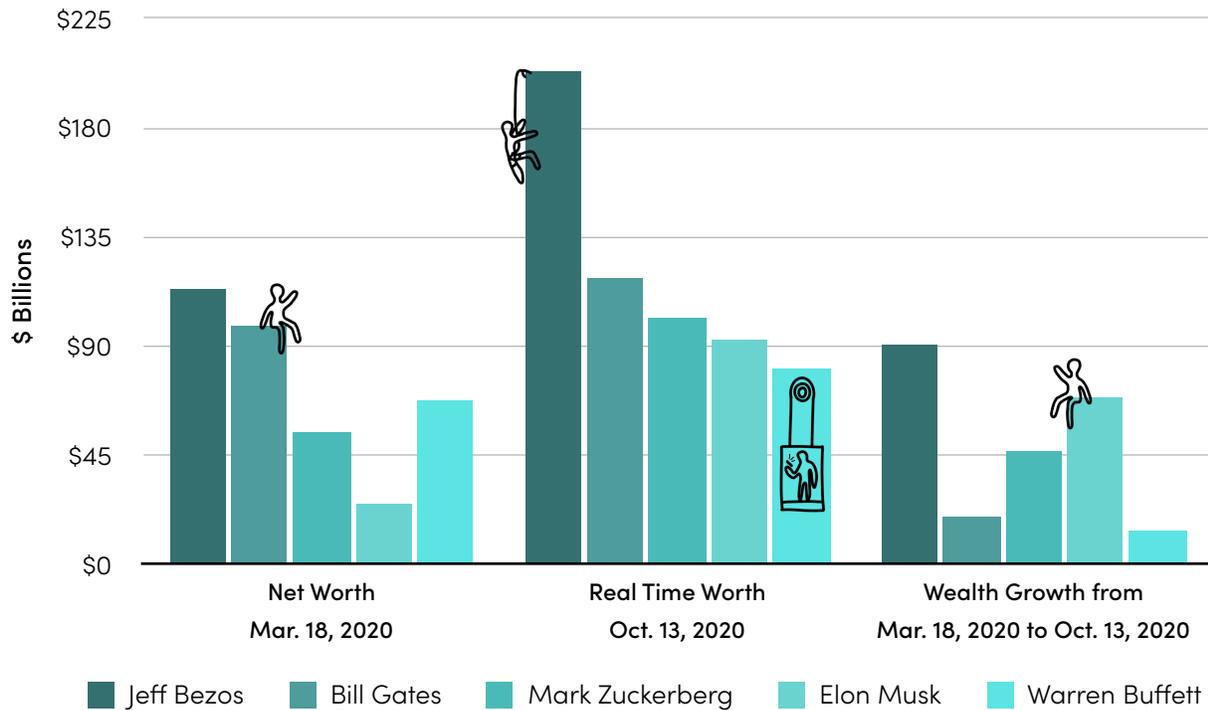
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<sup>1</sup> Throughout this document we will refer to Black, Indigenous, Latinx, Asian, and Pacific Islander people as “people of color.” We use this term not to erase the experience of any particular group but to demonstrate the shared impact that systemic racism and white supremacy have had on these racial groups. We recognize that these impacts are not equal across groups and that some groups have suffered collectively more than others. Where the experiences and impacts of a particular racial and ethnic group are uniquely illustrative, we will refer to that group directly.

<sup>2</sup> Collins, Chuck. 2020. “Updates: Billionaire Wealth, US Job Losses and Pandemic Profiteers.” Inequality.org. <https://inequality.org/great-divide/updates-billionaire-pandemic/>.

human thriving (e.g., technology, agriculture, financial services, and health care) by forming massive corporate monopolies.

## US Billionaires Wealth Growth as of October 13, 2020



Source: Institute for Policy Studies

Corporate monopoly is bad for workers, consumers, and for our democracy. Our nation’s founders were keenly aware of the danger of monopoly. In fact, the US revolution was sparked by anger directed at the monopolistic power of the British Crown. Though popularly taught as being about unjust taxation, the Boston Tea Party was actually a rebellion ignited by rage directed at the East Indian Trading Company, a monopoly chartered by the British monarchy.<sup>3</sup> Additionally, in 1787, Thomas Jefferson wrote to James Madison that the proposed US Constitution should include a Bill of Rights that explicitly excluded monopolies.<sup>4</sup> Though the language did not make it into the final Constitution, this letter demonstrates that the distrust of monopoly is justified and runs deep in our nation’s ethos.

<sup>3</sup> History.com Editors. 2019. “Tea Act.” <https://www.history.com/topics/american-revolution/tea-act>

<sup>4</sup> Raj, Prateek. 2017. “Antimonopoly Is as Old as the Republic.” ProMarket. <https://promarket.org/2017/05/22/antimonopoly-old-republic/#:~:text=The%20founders%20of%20the%20United,from%20the%20Bill%20of%20Rights>

Efforts to rein in the “robber barons” of the Gilded Age (i.e., Andrew Carnegie, J.D. Rockefeller, Cornelius Vanderbilt, and J.P. Morgan) are monumental in the history of anti-monopoly government action in the US. Victories following this period include government action to break up several large monopolies in the railroad and oil and gas industries. Additionally, this period normalized many worker protections that we take for granted today, such as a 40-hour workweek and overtime pay.

Unfortunately, though the start of the 20th century saw robust anti-monopoly government action, the government rapidly retreated from anti-monopoly enforcement in the second half of the century. Since, the federal government and the federal courts have aided—not prevented—the exponential growth in monopoly power in nearly every sector of our economy, including technology, telecommunications, food supply chains, banking, and health care. In 2015, for example, the US saw a record number of corporate mergers, totalling \$3.8 trillion in merger and acquisition activity.<sup>5</sup> Mergers that year involved massive companies, such as Time Warner Cable, Anheuser-Busch, and Berkshire Hathaway, becoming more massive. In 2020, T-Mobile—the third-largest wireless carrier in the US—acquired Sprint,<sup>6</sup> and Morgan Stanley acquired online stock trading company E-Trade.<sup>7</sup>

**Unfortunately, like so many large-scale and so-called “race-neutral” policy efforts, anti-monopoly policy ideation and implementation have left people of color behind.**

The economic problems created by monopoly power have been widely studied, and many solutions to curtail it have been developed by experts. Unfortunately, like so

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<sup>5</sup> Open Markets Institute. N.d. “Anti-Monopoly Timeline.” <https://www.openmarketsinstitute.org/timeline/>.

<sup>6</sup> Arbel, Tali. 2020. “Sprint and T-Mobile Merge, Creating New Wireless Giant.” Associated Press. <https://www.radio.com/talk980am/articles/sprint-and-t-mobile-merge-creating-new-wireless-giant>

<sup>7</sup> Ge Huang, Vicky. 2020. “E\*Trade Shareholders Approve Morgan Stanley Acquisition.” Advisor Hub. <https://advisorhub.com/etrade-shareholders-approve-morgan-stanley-acquisition/>

**Anti-monopoly research and advocacy need to better quantify, center, and reflect what people of color are experiencing and the ways that they are being harmed by monopoly power's reach.**

many large-scale and so-called “race-neutral” policy efforts, anti-monopoly policy ideation and implementation have left people of color behind. In researching this paper we found limited research or policy ideation on the impact of monopoly power on people of color. We believe that the absence of grassroots leaders of color in anti-monopoly policy conversations can be attributed to this disconnect.

It is critical that grassroots leaders of color are positioned to lead on anti-monopoly policy, as they are uniquely positioned to understand its impact on people of color at the household, community, and societal levels. This gives them a unique perspective in policy ideation efforts that should be valued and validated. These leaders also possess the unique skills to mobilize the people and public power that are necessary to force the government to reclaim its historic role of reining in runaway corporate monopoly power.

We at Liberation in a Generation believe that the power to change our economic systems rests with the organizers of color who are building the political strength of communities of color. Anti-monopoly research and advocacy need to better quantify, center, and reflect what people of color are experiencing and the ways that they are being harmed by monopoly power's reach. These efforts should also better connect anti-monopoly policy and advocacy as tools to advance the existing priorities of leaders of color, such as the Green New Deal, Medicare for All, closing the racial wealth gap, and a Homes Guarantee. This paper aims to contribute a major step in the long journey of bridging the divide between anti-monopoly researchers and policy advocates and grassroots leaders of color. The first step on that journey is knowledge.

Recognizing that anti-monopoly work is a new policy issue to many grassroots leaders of color, this paper will serve as a primer to 1) educate grassroots leaders on the issue of corporate concentration, 2) connect the issue to racial justice, and 3) recommend a path forward for grassroots leaders as well as the researchers and advocates who need to embrace them. Our hope is that this paper provides a foundation of knowledge that grassroots leaders of color can use to build race-conscious solutions and mobilize for action to rein in runaway corporate monopoly power. To that end, the paper is organized into six sections.

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## SECTION 1

# Monopoly Power Is Corporate Power Magnified and Maximized

In 1975, millions flooded theaters to see the blockbuster thriller *Jaws*. The story follows a police chief in a small resort town as he risks his life to protect beachgoers from a monstrous man-eating great white shark.

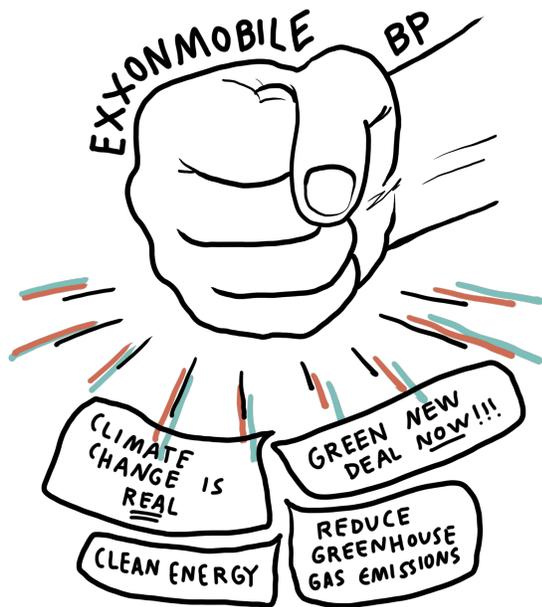
Monopolies are a lot like the shark in *Jaws*. While enormous, ruthless, dangerous, and scary, the movie's monster is just a shark, and the police chief uses tools and community to defeat it. Comparatively, while also enormous, ruthless, dangerous, and even scary, monopolies are just corporations, and we, together, can confront them. Their massive power controls the wages we earn, the prices we pay, and the actions of the politicians who are supposed to represent us in DC, the statehouse, and city hall. In a representative democracy, we the people are at the top of the food chain, and it is within our power to make these monopolies fear us—and end their existence in the first place.

Grassroots leaders of color are highly experienced and uniquely skilled at challenging corporate power, and these capacities can and should be used to curb

**Putting monopolies in the crosshairs of organizers is critical because they best understand the real human and structural devastation caused by monopoly power.**

monopoly power. For example, the Athena Coalition<sup>8</sup> has successfully leveraged grassroots power to challenge the monopoly power of Amazon, and Color of Change<sup>9</sup> has effectively used grassroots digital organizing to challenge the monopoly power of social media platforms such as Facebook. Putting monopolies in the crosshairs of organizers is critical because they best understand the real human and structural devastation caused by monopoly power, which is otherwise all too easily neglected.

Though we believe that grassroots leaders of color have the experience and expertise necessary to challenge monopoly power, the question remains: Why should they lead this fight? Grassroots leaders of color are already engaged in high-stakes battles with



the forces of corporate power on fundamental issues, including environmental justice, worker justice, housing justice, prison and police abolition, and voter and democratic justice. We believe that these efforts can be bolstered if anti-monopoly policy development and advocacy were incorporated into these existing efforts but then followed the lead of organizers. For example, the primary opponents of prison and police abolition are private prison monopolies, such as GEO Group and CoreCivic, which profit from the arrest and incarceration of Black and brown people. Opponents of the Green New Deal

include energy monopolies BP and ExxonMobile, whose profits are derived from polluting Black and brown communities.<sup>10</sup> Finally, opponents of the Homes Guarantee, and its call for creating 12 million units of social housing outside of the for-profit housing market, include big banks that profit from the commodification of affordable and low-income housing. Challenging these opponents by diminishing their monopoly

<sup>8</sup> Athena Coalition. 2021. "What We're Fighting For." <https://athenaforall.org/>

<sup>9</sup> Color of Change. 2021. "About." <https://colorofchange.org/about/>

<sup>10</sup> Atkin, Emily. 2019. "Corporate America Is Terrified of the Green New Deal." The New Republic. <https://newrepublic.com/article/153953/corporate-america-terrified-green-new-deal>

power could prove to be a powerful weapon in the fight to dismantle unchecked corporate power and its real-life economic impact on people of color.

## How Corporate Monopolies Show Up in Today's World

The distinguishing features of monopolies, when compared to your run of the mill corporation (large or small), are the reach and intensity of the corporate power that they wield. Monopoly power turbocharges the ills of corporate power and creates a wider impact of the overlapping consequences for people. In many ways, monopolies are created when corporate power becomes governing power.<sup>11</sup> Their sheer size and market dominance allow them to govern markets, and their expansive wealth gives them the power to manipulate prices, crush workers, and steamroll governments. Ultimately, monopolies' extreme economic power—which they use to gain outsized political power and then more economic power—undermines the collective power of workers, consumers, small businesses, local communities, and governments.

It has become difficult, and inadequate, to rely on legal definitions to identify monopolies. The legal definition of **monopolization** is highly technical and complicated by centuries of conflicting jurisprudence. It's been narrowed to exclusively focus on the negative impact that anticompetitive actions have on consumers.<sup>12</sup> This narrower focus intentionally shielded monopolies from any accountability for anticompetitive harm inflicted on workers, the environment, local communities, government, and democracy. Federal enforcement of monopoly power is confined to the highly specialized legal practice of **antitrust law enforcement**.<sup>13</sup> However, centuries of political power wielded by corporate monopolies and their acolytes (e.g., universities, think tanks, trade associations, and major law firms) have rendered much of antitrust law enforcement toothless.<sup>14</sup>

In the late 19th and early 20th century, the definition of monopoly was much wider and comprehensive. In this paper, we will expand the definition as well. Recognizing that

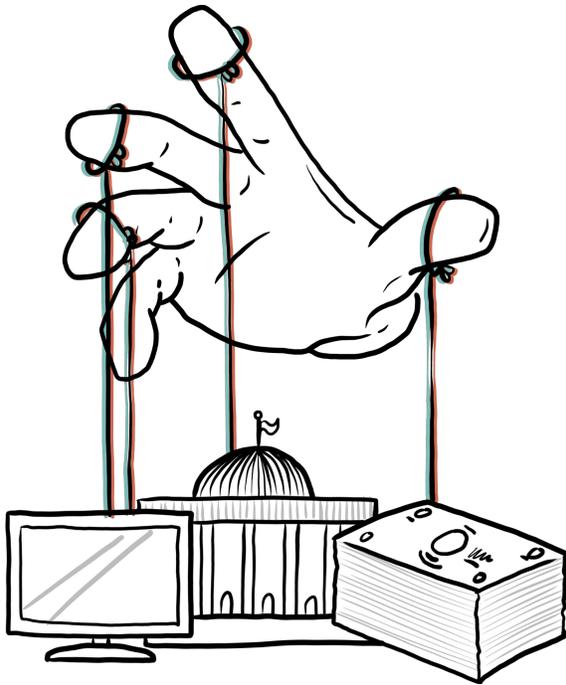
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<sup>11</sup> Teachout, Zephyr. 2020. *Break 'Em Up: Recovering Our Freedom from Big Ag, Big Tech, and Big Money*. New York: All Points Books.

<sup>12</sup> Ibid

<sup>13</sup> The term anti monopoly will replace the word antitrust throughout this paper as we believe it better characterizes the public policy and law enforcement direction we advocate for in this paper.

<sup>14</sup> Meagher, Michelle. 2019. "Powerless Antitrust". CPI Antitrust Chronicle. <https://www.competitionpolicyinternational.com/powerless-antitrust/>



## Monopoly (mo-nop-o-ly)

### Noun

A corporate entity (single corporation or group of corporations) whose sheer size and anti-competitive behavior grant it disproportionate economic power and governing influence. This negatively affects the welfare of workers, consumers, markets, local communities, democratic governance, and the planet.

## Big Tech

Four corporations comprise what has come to be known as “Big Tech”: Amazon, Apple, Facebook, and Alphabet (the parent company of Google). Each of these technology firms dominate an enormous share of their respective technology markets. Google, for example, controls 90 percent of the internet search market, and it controls the largest video sharing platform on the internet through its ownership of YouTube. Apple controls 50 percent of the cellphone market,<sup>15</sup> and Amazon controls 50 percent of all e-commerce. Facebook and its many subsidiaries (such as WhatsApp and Instagram)

this definitional work is in many ways a work in progress, we offer our definition as a point of discussion and debate for the larger field of anti-monopoly advocates.

In this paper, we define monopoly as a corporate entity (a single corporation or a group of corporations) whose sheer size and anticompetitive behavior grant it disproportionate economic power and governing influence. This negatively affects the well-being of workers, consumers, markets, local communities, democratic governance, and the planet.

Below are a few major industries that reveal how corporate concentration and monopolistic industries harm the economic lives of workers, consumers, and communities of color.

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<sup>15</sup> Andriole, Steve. 2018. “Apple, Google, Microsoft, Amazon And Facebook Own Huge Market Shares = Technology Oligarchy.” Forbes. <https://www.forbes.com/sites/steveandriole/2018/09/26/apple-google-microsoft-amazon-and-facebook-own-huge-market-shares-technology-oligarchy/?sh=20780c592318>.

dominate the social media and online advertising marketplace.<sup>16</sup> Other technology firms, including Uber, Lyft, Microsoft, and Netflix, also demonstrate monopolistic, anticompetitive behavior in their respective markets. In many ways, these companies, and the people who control them, are the “robber barons” of our time.

## **Big Pharma**

The world's largest pharmaceutical corporations, including Johnson & Johnson, Pfizer, Merck, Gilead, Amgen, and AbbVie, together comprise “Big Pharma.” These monopolies build their profits by controlling the prices of critical life-saving pharmaceuticals (e.g., insulin, drugs that regulate blood pressure, and critical antibiotics) and life-altering medical devices (e.g., heart stents and joint replacement devices). Between 2000 and 2018, a disproportionately small number of pharmaceutical companies made a combined \$11 trillion in revenue and \$8.6 trillion in gross profits.<sup>17</sup> In 2014, the top 10 pharmaceutical companies had 38 percent of the industry’s total sales revenue.<sup>18</sup> Much of these profits were gained driving up the price of critical drugs, extorting research and development (R&D) funding from the government, and leveraging Big Pharma’s political influence to weaken government oversight of the industry.<sup>19</sup>

## **Big Agriculture**

Big Agriculture, or “Big Ag,” refers to monopolies that control major aspects of the global food supply chain. This includes companies such as Cargill, Archer Daniels Midland Company (ADM), Bayer, and John Deere. Though once a diffuse network of small farmers and supply chain companies, recent mergers have created a system comprising a small number of corporations that are crowding out smaller, family-run companies including small farms. Similar to Big Pharma, government subsidies are a massive component of the obscene profits made by Big Ag. Further, as often the

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<sup>16</sup> Statista. 2020. “Most Popular Social Networks Worldwide as of October 2020, Ranked by Number of Active Users.” <https://www.statista.com/statistics/272014/global-social-networks-ranked-by-number-of-users/>

<sup>17</sup> McCall, Rosie. 2020. “Big Pharma Companies Earn More Profits Than Most Other Industries, Study Suggests.” Newsweek. <https://www.newsweek.com/big-pharma-companies-profits-industries-study-1490407>

<sup>18</sup> Government Accountability Office. 2017. “Drug Industry: Profits, Research and Development Spending, and Merger and Acquisition Deals.” <https://www.gao.gov/products/GAO-18-40>

<sup>19</sup> Meller, Abbey, and Hauwa Ahmed. 2019. “How Big Pharma Reaps Profits While Hurting Everyday Americans.” Center for American Progress. <https://www.americanprogress.org/issues/democracy/reports/2019/08/30/473911/big-pharma-reaps-profits-hurting-everyday-americans/>

largest employer in many small rural towns, these corporations often ruthlessly wield their monopoly power to drive down wages and benefits to workers, skirt government safety regulations, and bully (and even buy out) small farmers.

## Big Banks

Known as the “Big Five,” five banks control almost half of the industry’s nearly \$15 trillion in financial assets: JPMorgan Chase, Bank of America, Wells Fargo, Citigroup, and US Bancorp. Their collective importance to the nation’s financial system has led some to consider them “too big to fail.”<sup>20</sup> In fact, in response to the financial crisis of 2008, the federal government provided trillions of dollars in relief to ensure that they did not collapse under the weight of the crisis.<sup>21</sup> The Big Five have an incredible influence over the flow of money throughout our economy. They finance critical goods and services, such as housing, higher education, infrastructure, and renewable energy. They also finance extractive elements of our economy, such as fossil fuels and private prisons. But, most importantly, they set the rules for who can and cannot access loan capital, and their exclusionary practices have been widely linked to the growth of racial wealth inequality (as described in Section 3).

These are just four examples of industries that have been taken over by monopolies, but they are in no way exclusive. Many other critical industries in our economy have been corrupted by monopolies, including the energy, health insurance, hospital, for-profit college, and delivery service industries.

One note of caution on monopolies: While all **corporate** monopolies are harmful, some **government** monopolies can be critical to providing essential programs and services. Examples of government monopolies include public K–12 schools, publicly owned utilities, and the United States Postal Service (USPS). In fact, the USPS is codified in the US constitution to ensure that all people—even those in remote rural areas—can send and receive mail. Today, the USPS is an important employer to people of color, particularly Black people, in providing competitive wages and quality health and retirement benefits.

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<sup>20</sup> Young, Julie. 2020. “Too Big To Fail.” Investopedia. <https://www.investopedia.com/terms/t/too-big-to-fail.asp>.

<sup>21</sup> Schaefer, Steve. 2014. “Five Biggest U.S. Banks Control Nearly Half Industry’s \$15 Trillion In Assets.” Forbes. <https://www.forbes.com/sites/steveschaefer/2014/12/03/five-biggest-banks-trillion-jpmorgan-citi-bankamerica/?sh=519cc3d2b539>.

The predation of corporate monopolies creates racial wealth inequality. Low-wage employers that employ people of color, such as Walmart—the nation’s largest private employer—often set the wage floor for local communities and the nation.<sup>22</sup>

Agribusinesses and pharmaceutical monopolies set prices at a “poverty premium” where people of color pay more for food and life saving drugs. Also, bank monopolies set the prices that people of color pay for basic financial services, and they provide capital to predatory lenders, including payday and car title lenders.

## The Targets of Grassroot Action: Corporate Monopolies Have the Same as Corporations

Once again, while these monopolies are large and dangerous, they are also just corporations. They are constructed as corporations. They are legally recognized as corporations. They are governed as corporations. They are motivated by the same incentives as corporations. Most importantly, they are accountable to the government—and the public—just like other corporations.<sup>23</sup>

Knowing that advocates and activists have a strong history of challenging corporate power, we explore the targets for grassroots action that hold power within corporations and corporate monopolies below. It is important to note that in some monopolies, one individual can hold many of the titles described below, thus further concentrating monopoly power under a single person (e.g., Mark Zuckerberg, Jeff Bezos, and Jamie Dimon each serve as both chief executive officer (CEO) and chair of the board of directors for their respective corporations).

### Shareholders

Shareholders are individuals (or other businesses) who own corporate stock and are partial owners of a company.<sup>24</sup> The greater percentage of stock owned, the more invested they are in the company's “success” and the more power they have in governing the corporation. A **majority shareholder** owns more than 50 percent of a

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<sup>22</sup> Covert, Bryce. 2018. “Does Monopoly Power Explain Workers’ Stagnant Wages?” The Nation. <https://www.thenation.com/article/archive/does-monopoly-power-explain-workers-stagnant-wages/>

<sup>23</sup> Palladino, Lenore. 2018. “Public Benefit, Incorporated.” Boston Review. <http://bostonreview.net/class-inequality/lenore-palladino-public-benefit-incorporated>.

<sup>24</sup> Shareholders are also referred to as “stockholders.”

company's stocks, and conversely a **minority shareholder** owns less than 50 percent. Corporate founders, CEOs, and board chairs can also be majority shareholders, as is the case of Facebook's Mark Zuckerberg.

Our economy's current shareholder-centric system<sup>25</sup> actually *encourages* monopolies and monopolistic behavior. A popular investment strategy is to purchase shares in companies that have created an "economic moat," a strategy coined by famed monopolist Warren Buffet.<sup>26</sup> Like the medieval structure inspiring its namesake, an economic moat protects a company's market share and profitability through anticompetitive actions. For example, Uber and Lyft have built an economic moat by controlling both supply (drivers) and demand (riders) on their platform, creating a cycle that gives them an uncompetitive advantage over their competitors (i.e., taxi cabs or limo services). These anticompetitive economic moats create an almost guaranteed return on investment for shareholders, thus making these companies attractive stock investments.

Despite headline claims that place stock market gains above the health of our economy and our people, the shareholder class is an incredibly exclusive group and is predominantly white.

In short, shareholders are predominantly white, and

those white households nearly exclusively benefit from the value produced by the stock market. Employer-based retirement plans, such as 401(k) and 403(b) packages, trust funds, and college savings accounts are the primary way most American

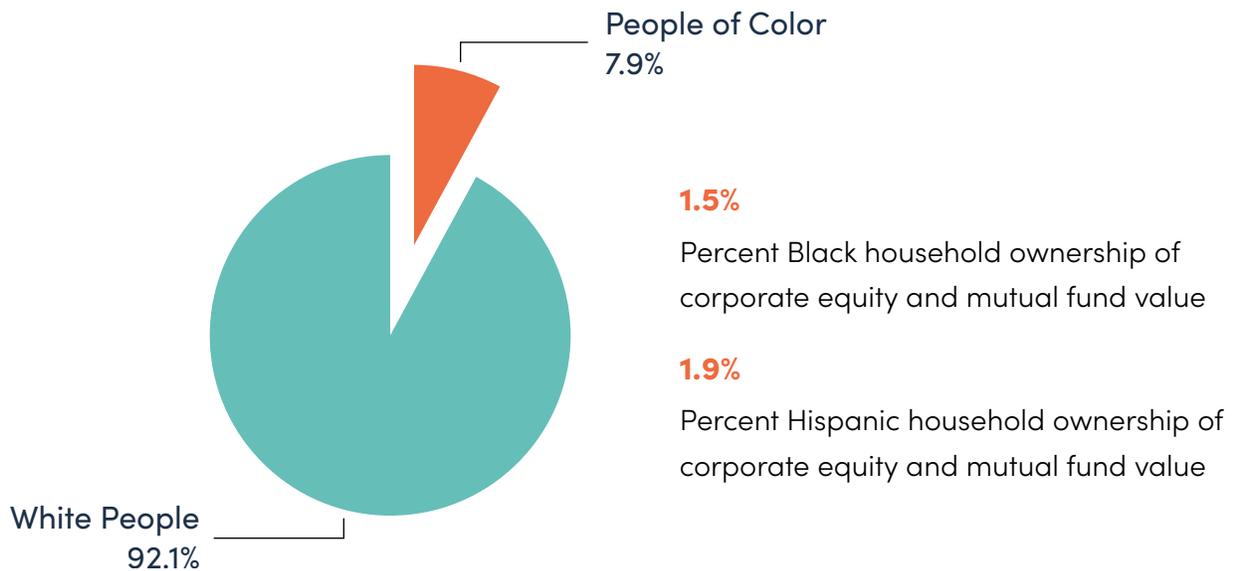
**Despite headline claims that place stock market gains above the health of our economy and our people, the shareholder class is an incredibly exclusive group and is predominantly white.**

<sup>25</sup> Pearlstein, Steven. 2014. "When Shareholder Capitalism Came to Town." The American Prospect. <https://prospect.org/economy/shareholder-capitalism-came-town/>

<sup>26</sup> Ganti, Akhilesh. 2020. "Economic Moat." Investopedia. <https://www.investopedia.com/terms/e/economicmoat.asp>.

households own shares in corporations. Only 31 percent of Black households have employer-based retirement plans, compared to 56 percent of white households.<sup>27</sup> When you look at equity ownership (the value of stocks owned by shareholders), Black households own just 1.5 percent and Latinx households own just 1.9 percent of equity in the stock market, compared to the 92 percent of equity owned by white households.

## Shareholder Primacy and Structural Racism



Source: Federal Reserve 2019 (via B Lab, From Shareholder Primacy to Shareholder Capitalism)

## Boards of Directors

A corporation's board of directors is elected—by the shareholders—to govern and manage the corporation. Their responsibilities include setting company policy, hiring and firing executives (including the CEO), setting executive compensation (including the CEO's), and establishing company goals and strategy. They are almost always shareholders, so they also have a financial stake in the success of the company. The board is managed by an elected chairperson (or president) and elected board officers. In 2019, 37 percent of S&P 500 firms did not have a Black board member. In 2018, men of color made up 13 percent and women of color made up 5 percent of

<sup>27</sup> Rhee, Nari. 2013. "Race and Retirement Insecurity in the United States." National Institute on Retirement Security. [https://www.shrm.org/ResourcesAndTools/hr-topics/employee-relations/Documents/race\\_and\\_retirement\\_insecurity\\_final.pdf](https://www.shrm.org/ResourcesAndTools/hr-topics/employee-relations/Documents/race_and_retirement_insecurity_final.pdf)

board seats at Fortune 100 companies, compared to 60 percent for white men and 20 percent for white women (there were a little over 1,200 board seats in fortune 100 companies in 2018).<sup>28</sup>

## Chief Executive Officers

Corporate CEOs are the highest ranking position in a company. CEOs are responsible for the overall success of the business and are the final point of accountability on managerial decisions. CEO compensation is provided in a variety of ways, including salary, performance bonuses, and company stock (which, for many CEOs, is their largest form of compensation). As of 2019, CEO compensation has skyrocketed by 940 percent since 1978, compared to a mere 12 percent growth for workers over the same period.<sup>29</sup> The vast majority of corporate CEOs are white; there are exactly three Black Fortune 500 CEOs (there were four, but one recently stepped down).<sup>30</sup> CEOs report directly to the company's board of directors; in publicly traded companies, the CEO's primary measurement of success is increasing shareholder value. In some monopolies, the CEO also serves as president of the board of directors, and majority shareholders giving them almost unrestrained authority in the management of their corporation.

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<sup>28</sup> DeHaas, Deb et al. 2019. "Missing Pieces Report: The 2018 Board Diversity Census of Women and Minorities on Fortune 500 Boards." Harvard Law School. <https://corpgov.law.harvard.edu/2019/02/05/missing-pieces-report-the-2018-board-diversity-census-of-women-and-minorities-on-fortune-500-boards/>

<sup>29</sup> Mishel, Lawrence, and Julia Wolfe. 2019. "CEO compensation Has Grown 940% Since 1978." Economic Policy Institute. <https://www.epi.org/publication/ceo-compensation-2018/>

<sup>30</sup> Davis, Dominic-Madori. 2020. "One of the Only 4 Black Fortune 500 CEOs Just Stepped Down – Here Are the 3 That Remain." Business Insider. <https://www.businessinsider.com/there-are-four-black-fortune-500-ceos-here-they-are-2020-2>

## SECTION 2

# A Major Consequence of Monopoly Power: Racial Wealth Inequality

Since the founding of the nation, people of color have been living an economic nightmare. People of color have persistently lagged behind white people in nearly every economic category, including employment, income, education, small-business ownership, home ownership, and asset-ownership. This is the result of the rise and reach of concentrated wealth and power, including monopoly power.

## The Racial Wealth Gap

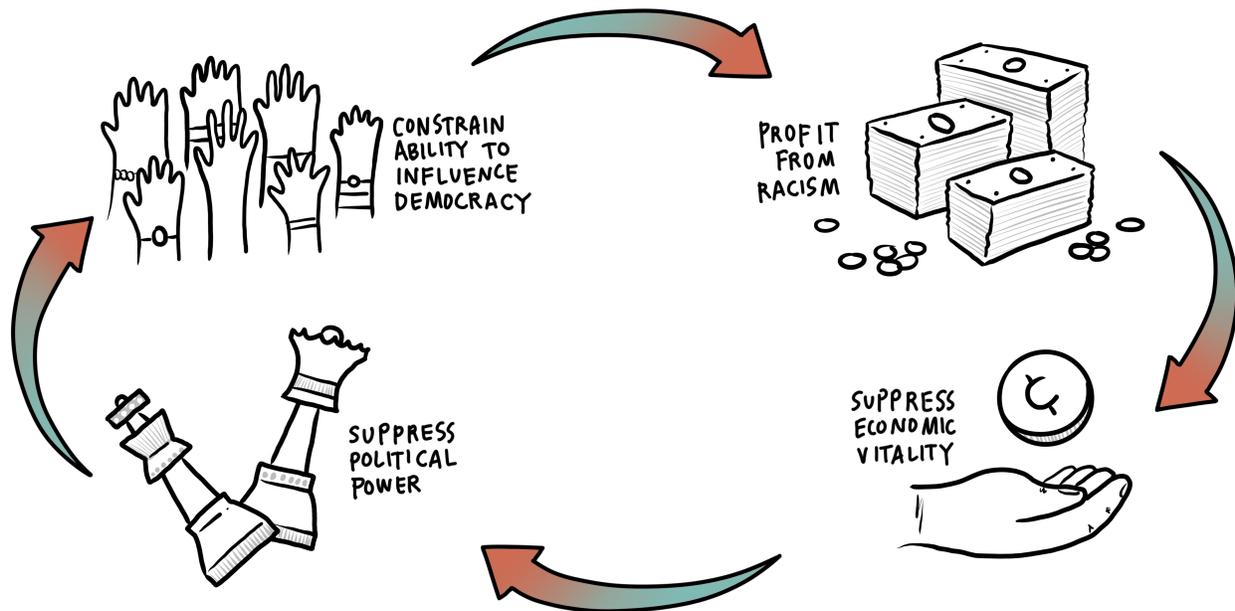
Economic racial disparities do not happen by accident. Rather, they are the product of centuries of systemic racism and have been built into the design of our economic system, which has created what we at Liberation in a Generation call the **Oppression Economy**.<sup>31</sup> The Oppression Economy uses the racist tools of theft, exclusion, and exploitation to strip wealth from people of color, so that the elite can build their wealth. In this Oppression Economy, racism is profitable,<sup>32</sup> and it fuels a cycle of oppression that depresses the economic vitality of people of color, suppresses our political power, and obstructs our ability to utilize democracy to change economic rules that make racism profitable in the first place.

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<sup>31</sup> Liberation in a Generation. 2019. "Dismantle the Oppression Economy." <https://www.liberationinageneration.org/dismantle-the-oppression-economy/>

<sup>32</sup> Reich, Robert. 2020. "Racism Is Profitable." <https://www.youtube.com/watch?v=KmAWOzTM-To>

## The Oppression Economy



Racial wealth inequality is the consequential disease caused by the Oppression Economy. Today, racial wealth inequality has reached astronomical levels and will continue to rise if nothing is done. Without drastic policy action it will take 228 years for average Black wealth and 84 years for average Latinx wealth to match the wealth that white households hold today.<sup>33</sup> Further, if nothing is done—or we attempt to return to “normal” and fail to distance racism<sup>34</sup> after COVID-19—Black and Latinx wealth will reach zero sometime in the middle of this century.<sup>35</sup> <sup>36</sup> These disparities are driven by two reinforcing phenomena connected to the issue of corporate concentration: 1) the systematic withholding of wealth from people of color and 2) the gross concentration of wealth held by the corporate elite.

<sup>33</sup>Asante-Muhammad, Dedrick et al. 2016. “The Ever-growing Gap. Institute for Policy Studies. [https://ips-dc.org/wp-content/uploads/2016/08/The-Ever-Growing-Gap-CFED\\_IPS-Final-2.pdf](https://ips-dc.org/wp-content/uploads/2016/08/The-Ever-Growing-Gap-CFED_IPS-Final-2.pdf)

<sup>34</sup> Rice, Solana, Jeremie Greer, and Daniella Zessoules. 2020. “Distancing Racism Beyond COVID-19: From Racial Exclusion to Radical Inclusion.” Liberation in a Generation. <https://www.liberationinageneration.org/distancing-racism-beyond-covid-19-from-racial-exclusion-to-radical-inclusion/>

<sup>35</sup> Asante-Muhammad, Dedrick et al. 2017. “The Road to Zero Wealth: How the Racial Wealth Divide Is Hollowing Out America’s Middle Class.” Prosperity Now. [https://prosperitynow.org/files/PDFs/road\\_to\\_zero\\_wealth.pdf](https://prosperitynow.org/files/PDFs/road_to_zero_wealth.pdf)

<sup>36</sup> This data was collected before the COVID-19 pandemic and recession, which has likely widened the racial wealth gap further than even these data points demonstrate.

Between 1983 and 2016, which coincides with the rise of corporate and monopoly power, average Black and Latinx wealth was dwarfed by the wealth accumulated by white households. In fact, average Black wealth **decreased** by more than 50 percent over this period.<sup>37</sup> This is the result of a long history of economic oppression that has actively blocked people of color from building wealth or has stripped their wealth through theft and predation. The beneficiaries and perpetrators of this ever-growing gap are the corporate elite who set the rules of the economy. The corporate elite's actions have led to people of color being paid less for their labor and having to pay more for the basic necessities of life. Here are a few metrics that speak to this reality.

- Black, Indigenous, and Latinx women earn between 55 cents and 63 cents for every dollar earned by white men.<sup>38</sup>
- Low income people of color often pay a 10 percent poverty premium for essential goods and services.<sup>39</sup>
- Black and Latinx households are far more likely than white households to be unable to pay their monthly bills or cover unexpected expenses.<sup>40</sup>
- Black households are more likely to be denied mortgage credit and end up paying more when they are able to access credit.<sup>41</sup>
- Black households, in particular, suffer from a crippling debt burden composed of an array of predatory credit products (e.g., student, small-dollar, auto, and home loans).<sup>42</sup>

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<sup>37</sup> Inequality.Org. 2019. "Wealth Inequality in the United States." <https://inequality.org/facts/wealth-inequality/#household-wealth>.

<sup>38</sup> National Partnership for Women and Families. 2020. "Quantifying America's Gender Wage Gap by Race/Ethnicity." <https://www.nationalpartnership.org/our-work/resources/economic-justice/fair-pay/quantifying-americas-gender-wage-gap.pdf>.

<sup>39</sup> Osborne, Hilary. 2015. "Poverty Premium: Why It Costs So Much More to be Poor." The Guardian. <https://www.theguardian.com/public-leaders-network/2015/nov/10/poverty-premium-costs-poor-energy-phone-tariffs-councils>.

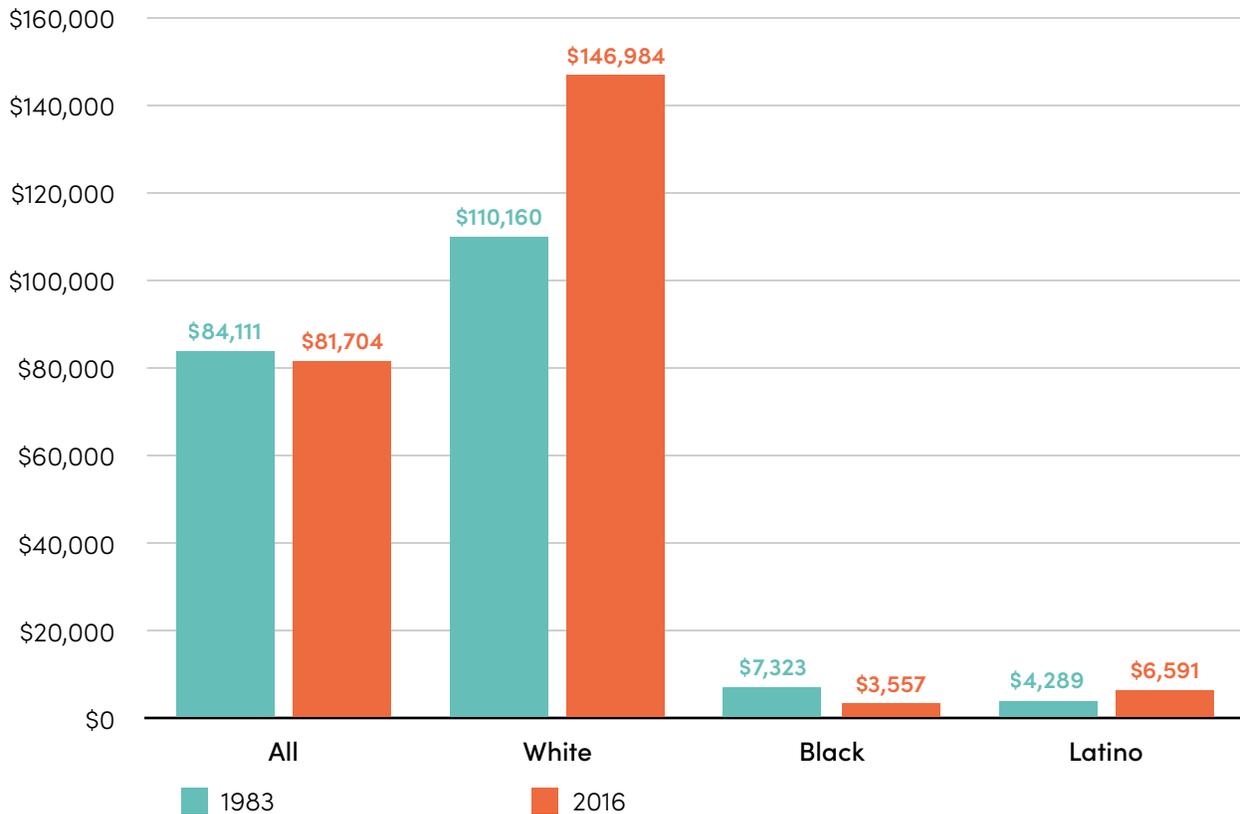
<sup>40</sup> Federal Reserve. 2019. "Report on the Economic Well-Being of U.S. Households in 2018." <https://www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-dealing-with-unexpected-expenses.htm>.

<sup>41</sup> Glantz, Aaron, and Emmanuel Martinez. 2018. "For People of Color, Banks Are Shutting the Door to Homeownership." <https://www.revealnews.org/article/for-people-of-color-banks-are-shutting-the-door-to-homeownership/>.

<sup>42</sup> Shapiro, Thomas. "Toxic Inequality: How America's Wealth Gap Destroys Mobility, Deepens the Racial Divide, and Threatens Our Future." Basic Books. <https://www.basicbooks.com/titles/thomas-m-shapiro/toxic-inequality/9780465046935/>.

## The Rich Have Become Richer as the Poor Have Gone Underwater

### Average Household Wealth in 2016 Dollars



Source: Institute for Policy Studies

The phenomenon fueling racial wealth inequality is the concentration of wealth in the hands of a small number of individuals. Today, the wealthiest 400 people in the US hold more wealth (\$3.2 trillion)<sup>43</sup> than the *entire* Latinx population (\$2.4 trillion) and *more than 70 percent* of the Black population combined (\$4.41 trillion).<sup>44</sup> While the average wealth of Black people has decreased since the 1980s (as cited earlier), the average wealth of those on Forbes's list of the 400 wealthiest people increased from \$600 million in 1982 (adjusted for inflation)<sup>45</sup> to \$8.0 billion in 2020. You might be asking, what does the Forbes 400 have to do with monopoly? Well, it is a who's who of corporate monopolists.

<sup>43</sup> Forbes. 2020. "The Forbes 400: The Definitive Ranking of the Wealthiest Americans In 2020." <https://www.forbes.com/forbes-400/>.

<sup>44</sup> Asante-Muhammad, Dedrick et al. 2016. "The Ever-Growing Gap." Prosperity Now. <https://prosperitynow.org/resources/ever-growing-gap-without-change-african-american-and-latino-families-wont-match-white>.

<sup>45</sup> Inequality.Org. 2019. "Wealth Inequality in the United States." <https://inequality.org/facts/wealth-inequality/#household-wealth>.

## Enriched by Racism and Oppression

Who	What	Where
Jeff Bezos	\$179 Billion	Amazon
Bill Gates	\$111 Billion	Microsoft
Mark Zuckerberg	\$85 Billion	Facebook
Warren Buffet	\$73.5 Billion	Berkshire Hathaway
Alice, Jim, and Rob Walton	\$185.9 billion, combined	Walmart
Elon Musk	\$68 billion	Tesla, SpaceX

Source: Forbes

The people on this list are some of the most egregious perpetrators of driving down wages, expanding income inequality, degrading the health of workers, desecrating the environment, fleecing consumers, perpetuating racial residential segregation, driving community disinvestment, avoiding taxes, and corrupting our democracy. These monopolists utilize ruthless business practices to perpetuate their unquenchable thirst for maximized profits and for control of major segments of the US economy—and people of color bear the brunt.

### **America's Legacy of Racism Drives and Sustains Corporate Concentration**

The confluence of monopoly power and racial inequality is not new. The construction of an economy that relies on unchecked capitalism to create the modern-day monopolist relies on the construction and maintenance of America's racial caste system. The legacy of theft, exclusion, and exploitation of people of color by corporate monopolists has been with us since the founding of the nation. In fact, prior to the Civil War, southern plantation owners were the equivalent of the modern-day Fortune 500 monopolists. The Mississippi Valley had more millionaires per capita than anywhere in the country, making it the Silicon Valley of that period. Prior to the Civil War, the

combined value of America's approximately 4 million slaves was \$3.5 billion, making it the largest single financial asset in the entire economy, bigger than all manufacturing and railroads combined.<sup>46</sup>

As the roots of this problem run deep and disproportionately impact people of color, so too must the solutions. Today's corporate monopolies are built on the foundation of an economy that also stole land from Indigenous people through

genocide and forced removal, and built a labor market on the bodies of enslaved Black people. Nothing in our economy is race-neutral, including our work to dismantle monopoly power and the racial wealth inequality it causes, so we must seek race-conscious solutions.

Scholars have developed a catalogue of research confirming what many people of color experience on a daily basis: Corporations have seized control of many aspects of our lives that were once intended to serve the public good over private sector interests. Examples include the growth of charter schools and for-profit colleges as an alternative to public schools; the growth of private health insurance and private hospitals; the growth of private prisons and paid services in prison, such as phone calls and health care. However, more research is needed that connects the economic conditions of people of color to the growth of monopoly power, a call to action we further explore in Section 6.

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<sup>46</sup> Coates, Ta-Nehisi. 2014. "Slavery Made America." The Atlantic. <https://www.theatlantic.com/business/archive/2014/06/slavery-made-america/373288/>

## Connecting Monopoly Power to Other Movements

There is no silver bullet to slaying the monster that is systemic racism. Leaders of color across the country are actively organizing people of color to advance bold and transformational economic and racial justice policies. These leaders are doing the hard work of transforming our economic systems by advancing liberatory policies such as a Homes Guarantee and a federal jobs guarantee; and by dismantling systems of oppression, including police and prison abolition, ending voter suppression, and curbing corporate power. To this end, anti-monopoly policy and advocacy work can be a powerful tool to advance these transformative, activist-led movement priorities.

To win the battle to advance movement priorities, we must seek to pull every lever of power at our disposal and to directly confront one of their most ardent political opponents: corporate monopolies. The Action Center on Race and the Economy (ACRE) is deftly integrating anti-monopoly tactics to advance their racial and economic justice mission. In advancing police abolition, for example, they highlight the fact that big banks (as discussed in Section 1) finance “police brutality bonds” that fund the payment of police department settlements for acts of police brutality.<sup>47</sup> Additionally, they have highlighted for grassroots leaders of color the connections that corporate monopolies have to anti-Muslim bigotry, the Puerto Rican debt crisis, and pharmaceutical prices.<sup>48</sup>

**Directly challenging the monopoly power of these corporations could prove to be a useful tactic for activists of color to further movement priorities.**

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<sup>47</sup> ACRE. 2020. “How Wall Street Profits from Police Violence.” [https://acrecampaigns.org/research\\_post/police-brutality-bonds/](https://acrecampaigns.org/research_post/police-brutality-bonds/)

<sup>48</sup> ACRE. 2021. “Reports by ACRE.” <https://acrecampaigns.org/research/>

Corporate monopolists, including big banks, big tech, and big pharma, are often primary opponents in the battles for bold, transformational movement priorities. For example, activists for bold environmental justice policies, such as the Green New Deal, have encountered strong opposition from fossil fuel monopolies, such as Exxon, Shell and BP; but also, Wall Street bank monopolies financing fossil fuel monopolies, in addition to other monopolies in the airline industry.<sup>49</sup> In another example, Wall Street monopolies have aggressively clashed with affordable housing advocates as their investments have displaced residents of color from their homes and businesses and have also gentrified communities of color from Harlem to Oakland and Detroit to New Orleans. Directly challenging the monopoly power of these corporations could prove to be a useful tactic for activists of color to further movement priorities.

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<sup>49</sup> Rizzo, Salvador. 2019. "Liz Cheney's Claim That the 'Green New Deal' Would Eliminate Air Travel." Washington Post. <https://www.washingtonpost.com/politics/2019/02/14/liz-cheney-claim-that-green-new-deal-would-eliminate-air-travel/>

## SECTION 3

# The Human Impact of Monopoly Power

Humanity cannot be extracted from or ignored in economic debates. We at Liberation in a Generation know that racial justice *is* economic justice. Our friends at the Groundwork Collaborative coined the phrase, “we are the economy.” At its core, the economy is made up of *people*—consumers, workers, business owners, community members, politicians, and so many others. It is also influenced by human constructs, such as culture, religion, and of course racism.

Conversations about the economy are often overly technical, which removes the human impact of the discussion—an often intentional choice. These technocratic conversations are often overly academic and totally removed from the lived experiences of people who exist, day in and day out, within the economic systems being debated. Also, these technical conversations cover up the human pain and the racism responsible for that pain, often purposely. This is one way that racism is removed from economic discussions and debates.

This section attempts to have a human- and race-centric conversation about the real impact and consequences of monopolies in our economy. Here, we explore how monopolies take away our power and generally maintain systems of oppression, centering the cost to people of color and featuring real-life examples. As you read, we encourage you to consider examples in your world and daily life.

## How People of Color Are Hurt and Hindered by Monopoly Power

As mentioned earlier, monopolies are especially detrimental to people of color. The board game *Monopoly* has nothing on the real, intersecting, and reinforcing

economic oppressions that monopolies can wield on our communities. Here, we'll explore monopolies' impact on people of color as:

- Workers;
- Consumers;
- Residents in neighborhoods and local economies;
- Small business owners and entrepreneurs of color; and
- People who are being surveilled and having their privacy violated.<sup>50</sup>

## Workers: Wages, Power, and Choice

Let's start with how monopolies hurt workers' wages, power, and ability to have more choice within the labor market and economy (e.g., the ability to change jobs). When a few companies control large shares of a labor market, say for cashiers or nurses, they can set wages, salaries, and benefits for all workers in the market (whether they are employed by a monopoly or not). When one company controls an entire labor market—think Walmart in a small town—it is called a **monopsony**.<sup>51</sup> Outsized control over the labor market means lower wages, fewer employment options, and less stability.<sup>52</sup>

Additionally, fewer competing employers in a city or industry means fewer employment opportunities and fewer opportunities for workers to leave a company because of unfair conditions, including low pay, unreasonable production quotas, and unsafe working conditions. Consider wages specifically: Research shows that monopsonies reinforce and exacerbate well-documented racial and gender wage gaps. Though many have observed the connection,<sup>53</sup> limited research is currently available to empirically demonstrate the full effect of monopsony power on racial wage and wealth gaps. (We explore the dire need for this research in Section 6.) What we do know is that, despite a short narrowing stint between 1950 and 1980, the pay difference between Black and white workers is the same today as it was in 1950. The

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<sup>50</sup> Action Center on Race and the Economy. Forthcoming. "21st Century Policing: The Rise and Reach of Surveillance Technology."

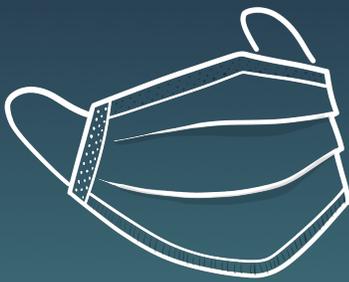
<sup>51</sup> Steinbaum, Marshall. 2018. "A Missing Link: The Role of Antitrust Law in Rectifying Employer Power in Our High-Profit, Low-Wage Economy." Roosevelt Institute. <https://rooseveltinstitute.org/wp-content/uploads/2020/07/RI-Missing-Link-Monopsony-brief-201804.pdf>

<sup>52</sup> Jones, Janelle, and Ben Zipperer. 2018. "Unfulfilled Promises." Economic Policy Institute. <https://www.epi.org/publication/unfulfilled-promises-amazon-warehouses-do-not-generate-broad-based-employment-growth/>

<sup>53</sup> Leonhardt, David. 2020. "The Black-White Wage Gap Is as Big as It Was in 1950." New York Times. <https://www.nytimes.com/2020/06/25/opinion/sunday/race-wage-gap.html>; Gould, Elise. 2020. "Black-White Wage Gaps Are Worse Today Than in 2000." Economic Policy Institute. <https://www.epi.org/blog/black-white-wage-gaps-are-worse-today-than-in-2000/>; Bahn, Kate. 2018. "Understanding the Importance of Monopsony Power in the US Labor Market." Washington Center for Equitable Growth. <https://equitablegrowth.org/understanding-the-importance-of-monopsony-power-in-the-u-s-labor-market/>

2019 median hourly wage for Black workers was \$16.12, which is 24 percent less than the median wage for white workers (\$21.32); Latinx workers faced a 25 percent pay gap with median hourly earnings \$15.89. When compared to white men, Black and Latinx women face even higher wage gaps at 35 and 38 percent, respectively.<sup>54</sup> All of this is happening at the same time as the massive growth in increase of monopoly power in sectors of the economy that employ large numbers of people of color.

## Fighting Monopsony: A Case Study of Amazon Workers in Southern California



Amazon is the dominant employer in southern California. During the COVID-19 crisis, Amazon intensified its brutal treatment of employees at its facilities and on its delivery routes in order to maximize profits. In doing so, the corporation put workers in dire risk of contracting and potentially dying from COVID-19. In response, the Los Angeles Federation of Workers and Warehouse Workers Resource Center joined Amazon workers to demand greater health and safety protections, adequate paid time off policies, and reductions in callous productivity requirements in a righteous attempt to keep workers and their families safe from the virus. Amazon resisted these workers' demands by insisting to the media and broader public that their facilities were safe and workers were protected.

Ultimately, the workers' organizing efforts culminated in a huge victory when the Los Angeles County Board of Supervisors unanimously passed a measure mandating "worker health councils" in large workplaces, including Amazon facilities, to help workers at these workplaces monitor practices, educate each other, and report health and safety violations.<sup>54</sup> This victory stands as an example of how organizers can effectively ally with state and local authorities to counter monopoly power that often remains unchecked by federal authorities.

Not only is it hard for workers to leave a bad job, but highly concentrated industries also mean that there are fewer opportunities for workers to find new employment.

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<sup>54</sup> Economic Policy Institute. N.d. "State of Working America: Data Library." <https://www.epi.org/data/#?subject=wagegap-bw>

<sup>55</sup> Miller, Leila. 2020. "L.A. County approves program for workers to form public health councils to curb coronavirus spread." Los Angeles Times.

Ultimately, the consolidation of companies can—and often does—result in fewer jobs. Employment opportunities can be scarce in a region where just a few businesses provide a majority of employment. Companies also routinely violate the Sherman Act (a subject we further explore in Section 4) and state laws by requiring employees to sign non-compete or no-poaching agreements.<sup>56</sup> Non-compete agreements are presented as a condition of employment that requires employees to not work for a competing company within a certain period of time or in a certain geography. A 2014 study found that 12 percent of workers earning less than \$40,000 a year were bound by non-compete agreements.<sup>57</sup> A no-poaching agreement is usually between companies in which they agree to not hire each other's employees. Companies ranging from Jimmy Johns<sup>58</sup> (the fast food sandwich restaurant) to Apple have been found to have practices that restrict their employees' employment opportunities.

Monopsony is exceptionally bad for people of color, who, due in large part to systemic racism, suffer higher rates of unemployment and lower rates of educational attainment. This creates unique barriers that restrict employment options. Further, concentrated labor markets in local areas matched by explicit corporate hostility toward organizing efforts leave workers with little choice but to occupy the low-wage, physically debilitating, and soul crushing employment offered by corporations who hold local monopsony power.

## Consumers

When it comes to the goods and services we buy, corporate concentration leaves consumers with little choice. Low-income people feel the pinch of



**In short, monopoly power constrains our freedom of choice.**

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<sup>56</sup> Naidu, Suresh, Eric A. Posner, and E. Glen Weyl. 2018. "Antitrust Remedies for Labor Market Power." SSRN: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3129221](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3129221)

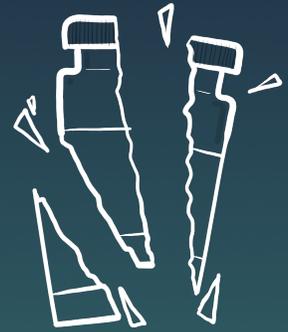
<sup>57</sup> Naidu, Suresh, Eric A. Posner, and E. Glen Weyl. 2018. "More and More Companies Have Monopoly Power Over Workers' Wages. That's Killing the Economy." Vox. <https://www.vox.com/the-big-idea/2018/4/6/17204808/wages-employers-workers-monopsony-growth-stagnation-inequality>; Starr, Evan, J.J. Prescott, and Norman Bishara. 2020. "Noncompete Agreements in the US Labor Force." SSRN: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2625714](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2625714)

<sup>58</sup> Jimmy Johns and several chains agreed to end no-poach agreements in 2018. Johnson, Gene. 2018. "Fast-food Chains Agree to End 'No-Poaching' Policies That Critics Say Limit Job Opportunities." Business Insider. <https://www.businessinsider.com/arbys-jimmy-johns-cinnabon-agree-to-no-poaching-policies-2018-7>

monopoly in disproportionate ways, whether in skyrocketing prices for life-saving medicines,<sup>59</sup> increasing costs of food,<sup>60</sup> utility bills,<sup>61</sup> and more. Due to scant competition created by corporate monopoly, consumers often pay exorbitantly high prices for poor-quality products and services.<sup>62</sup> In short, monopoly power constrains our freedom of choice. 63

## Insulin Rationing

In 2017, 26-year-old Alec Raeshawn Smith aged off his mother's insurance plan and died because—for financial reasons and the absence of universal health care—he was forced to ration the insulin literally keeping him alive.<sup>62</sup> At the time, his yearly salary as a restaurant manager in Minnesota was about \$35,000, which was too high to qualify for Medicaid and for the government subsidies in the state's health insurance marketplace. Alec's pharmacist told him that his diabetes supplies—which was primarily insulin—would cost \$1,300 a month without insurance. With insurance, the plan he found had a \$450 premium each month and an annual deductible of \$7,600. "At first, he didn't realize what a deductible was," Alec's mother said. She remembers telling him, "You have to pay the \$7,600 out of pocket before your insurance is even going to kick in." Alec then decided that going uninsured was more financially manageable. He died less than one month after being pushed off of his mother's insurance plan. For far too long, pharmaceutical monopoly corporations have valued profits over patients, resulting in the unjust deaths of millions of individuals like Alec who simply cannot afford the skyrocketing costs of life-saving health care.



<sup>59</sup> The Action Center on Race and the Economy. 2020. "Poi\$in: How Big Pharma's Racist Price Gouging Kills Black and Brown Folks." [https://acrecampaigns.org/research\\_post/poison/](https://acrecampaigns.org/research_post/poison/)

<sup>60</sup> Food & Water Watch. 2012. "The Economic Cost of Food Monopolies." <https://www.foodandwaterwatch.org/insight/economic-cost-food-monopolies>

<sup>61</sup> Lyubich, Eva. 2020. "The Race Gap in Residential Energy Expenditures." Energy Institute at Haas. <https://haas.berkeley.edu/wp-content/uploads/WP306.pdf>

<sup>62</sup> Mitchell, Stacy, and Marie Donahue. 2018. "Dollar Stores Are Targeting Struggling Urban Neighborhoods and Small Towns. One Community Is Showing How to Fight Back." Institute for Local Self-Reliance. <https://ilsr.org/dollar-stores-target-cities-towns-one-fights-back/>

<sup>63</sup> Sable-Smith, Bram. 2018. "Insulin's High Cost Leads to Lethal Rationing." NPR. <https://www.npr.org/sections/health-shots/2018/09/01/641615877/insulins-high-cost-leads-to-lethal-rationing>

Monopolies' ability to fix prices,<sup>64</sup> for a whole variety of essential goods and services, is especially dangerous to low-income people of color. Operating on tight budgets means that the higher cost of essential goods and services account for a larger portion of their household budgets. Nowhere is the danger of price fixing more acute than with Big Pharma. A recent ACRE report, "Poi\$on," provides a deep dive into the many life-saving drugs that a handful monopolies control.<sup>65</sup> Over the last 20 years, for example, Eli Lilly has used government patents and federal subsidies to raise the price of insulin from \$21 a vial to \$300 a vial. Actions like this have a devastating impact on Black, Indigenous, and Latinx people who are disproportionately affected by diabetes—the illness treated with insulin. The same could happen with prices for a potential vaccine for COVID-19, which is also disproportionately killing Black and Latinx people.<sup>66</sup>

## Residents in Neighborhoods and Local Economies

The company town<sup>67</sup> is not a relic of the past, but rather a day-to-day reality for many workers. Today, many retail workers buy their groceries or household items from their employer. Many workers pay rent or mortgage to their employer, or even attend a place of worship that their employer built and owns. For example, Facebook has plans to develop a company town in Silicon Valley akin to the company towns that peppered the industrial Midwest in the beginning of the 20th century.<sup>68</sup>

Today, company towns look a little different, but they still leave residents, workers, and city budgets at the whim of a few corporations—and people of color still endure the worst of it. Take the example of a Nissan plant in the majority-Black town of Canton, Mississippi, that employs 6,500 people in a town of 13,000. In the name of job creation, the state, county, and city poured a combined \$1.3 billion in subsidies to attract the

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<sup>64</sup> As defined by the FTC, price fixing occurs when a company or firm enters "an agreement (written, verbal, or inferred from conduct) among competitors that raises, lowers, or stabilizes prices or competitive terms"; Federal Trade Commission. N.d. "Price Fixing." <https://www.ftc.gov/tips-advice/competition-guidance/guide-antitrust-laws/dealings-competitors/price-fixing>.

<sup>65</sup> The Action Center on Race and the Economy. 2020. "Poi\$in: How Big Pharma's Racist Price Gouging Kills Black and Brown Folks." [https://acrecampaigns.org/research\\_post/poison/](https://acrecampaigns.org/research_post/poison/)

<sup>66</sup> Godoy, Maria, and Daniel Wood. 2020. "What Do Coronavirus Racial Disparities Look Like State By State?" NPR. <https://www.npr.org/sections/health-shots/2020/05/30/865413079/what-do-coronavirus-racial-disparities-look-like-state-by-state>

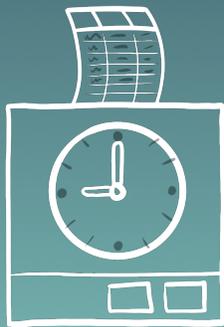
<sup>67</sup> PBS. 2017. "Slavery by Another Name: Company Towns." <https://www.pbs.org/tpt/slavery-by-another-name/themes/company-towns/>.

<sup>68</sup> Mortice, Zach. 2017. "What Facebook Can Learn from Company Towns." CityLab. <https://www.bloomberg.com/news/articles/2017-07-19/what-facebook-should-know-about-company-towns>.

company in the early 2000s.<sup>69</sup> In 2017, workers campaigned to start a union and were met with company threats to leave the town, which destroyed the campaign.<sup>70</sup>

## Nissan Plant and “Permatemp” Workers

A decade after the opening of the Nissan plant in Canton, Mississippi, locals noticed that the quality of the Nissan jobs had deteriorated. Some workers received anywhere between \$12 to \$26 an hour to help manufacture vehicles, including individuals whose pay did not match the national average pay for autoworkers.<sup>70</sup> In addition, many employees served as “permatemps,” or permanent, temporary workers (temporary workers who work for an extended period of time).<sup>71</sup> For example, Robert Hathorn previously served as a permatemp who worked alongside full-time Nissan employees and fulfilled the same responsibilities, yet



he received lower wages and fewer benefits. “We all work for the same company doing the same job. The pay should be the same,” Robert said.<sup>72</sup> Robert believes we must protect the right to unionize in order to build an economy that works for everyone—however, Nissan remains in the way of this progress. Despite the United Auto Workers’ (UAW) 12-year campaign to organize the plant in Canton, Nissan’s grip on the town prevented the majority of workers from voting in favor of a union bid in fear of losing what they have in life.

Cities across the country continue to commit tax giveaways and costly infrastructure improvements to draw in megacorporations. We saw this play out when Amazon was looking to locate its second headquarters.<sup>74</sup> There is evidence that when large corporations relocate to an area they have little impact on job growth and in some

<sup>69</sup> Good Jobs First. 2013. “A Good Deal for Mississippi?” [https://www.goodjobsfirst.org/sites/default/files/docs/pdf/nissan\\_report.pdf](https://www.goodjobsfirst.org/sites/default/files/docs/pdf/nissan_report.pdf).

<sup>70</sup> Richman, Shaun. 2018. “Company Towns Are Still With Us.” *The American Prospect*. <https://prospect.org/economy/company-towns-still-us/>.

<sup>71</sup> Chen, Michelle. 2017. “Mississippi Autoworkers Mobilize.” *Dissent Magazine*. <https://www.dissentmagazine.org/article/march-on-mississippi-autoworkers-mobilize-canton-nissan>.

<sup>72</sup> ABC10. 2017. “Nissan workers deserve a voice.” <https://www.abc10.com/article/news/nation-now/nissan-workers-deserve-a-voice/465-a4d62087-0e90-4031-8a6f-ce90424624cf>.

<sup>73</sup> UAW Solidarity House. 2015. “Nissan Leading US Into ‘Temp Nation.’” [https://uaw.org/solidarity\\_magazine/nissan-leading-u-s-into-temp-nation/](https://uaw.org/solidarity_magazine/nissan-leading-u-s-into-temp-nation/)

<sup>74</sup> Garfield, Leanna. 2018. “Facebook and Amazon Are so Big They’re Creating Their Own Company Towns — Here’s the 200-Year Evolution.” *Business Insider*. <https://www.businessinsider.com/company-town-history-facebook-2017-9>.

cases actually replace good, livable-wage jobs with bad, low-wage jobs.<sup>75</sup> At the federal level, corporations, especially monopolies, have tremendous lobbying power resulting in many undemocratic practices, including tax avoidance that stifle local and federal investments. In fact, 60 of America's largest corporations avoided paying taxes on \$79 billion in pre-tax income in 2017.<sup>76</sup>

### **Small Business Owners and Entrepreneurs of Color**

Black-owned businesses are not only important for providing basic goods to racially isolated Black communities, but they are also integral to building and circulating wealth in Black neighborhoods<sup>77</sup> and to developing community institutions that cultivate and nurture Black political power. In the early 20th century, for example, groups like the

National Negro Business League supported anti-chain store legislation as a way to preserve Black Americans' economic self-sufficiency and freedom.<sup>78</sup> When monopolies use their power to crush businesses that are led by people of color, they are also crushing the institutions that help create and cultivate the political power of people of color.



**When monopolies use their power to crush businesses that are led by people of color, they are also crushing the institutions that help create and cultivate the political power of people of color.**

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<sup>75</sup> Jones, Janelle, and Ben Zipperer. 2018. "Unfulfilled Promises." Economic Policy Institute. <https://www.epi.org/publication/unfulfilled-promises-amazon-warehouses-do-not-generate-broad-based-employment-growth/>.

<sup>76</sup> Gardner, Matthew, Lorena Roque, and Steve Wamhoff. 2019. "Corporate Tax Avoidance in the First Year of the Trump Tax Law." Institute on Taxation & Economic Policy. <https://itep.sfo2.digitaloceanspaces.com/121619-ITEP-Corporate-Tax-Avoidance-in-the-First-Year-of-the-Trump-Tax-Law.pdf>.

<sup>77</sup> Feldman, Brian S. 2017. "The Decline of Black Business." Washington Monthly. <https://washingtonmonthly.com/magazine/marchaprilmay-2017/the-decline-of-black-business/>.

<sup>78</sup> Ibid.

## Black Farmers and Koch Foods

John Ingram, a Black chicken farmer from Jackson, Mississippi, has struggled to operate his farm in the face of market pressure from Big Ag monopoly Koch Foods. Structural racism and the lasting legacy of slavery, sharecropping, and Jim Crow have left the 1.3 percent of Black US farmers with less access to land ownership and wealth.<sup>78</sup> Black farmers also experience racial bias when dealing with the growing concentration of corporate power in agriculture. Koch Foods—the country’s fifth-largest poultry processor and one of the main chicken companies in Mississippi—has used its market control to drive Black farmers, including John, out of business.<sup>79</sup> Koch Foods agreed to supply flocks and feed to John in exchange for his agricultural services, but the mega giant also penalized John if his birds were sick or underfed and required a list of expensive and arbitrary modifications to his farm that created significant financial strain. “There’s no way it could be fair,” he said at an Obama USDA-led panel on chicken farmers. “I had no control over the feed that they brought me.” After reporting these issues on the panel, his contract was terminated by Koch Foods. Around the same time, other Black farmers also stopped growing chickens for Koch Foods.



The erosion of anti-monopoly government action over the last 50 years has given way to more corporate concentration and, consequently, a significant decline in Black- and Latinx-owned businesses. COVID-19 recovery efforts are not helping entrepreneurs of color stay open or avoid job cuts.<sup>81</sup> Forty-one percent of Black-owned businesses, 32 percent of Latinx-owned businesses, and 24 percent of Asian-owned businesses are

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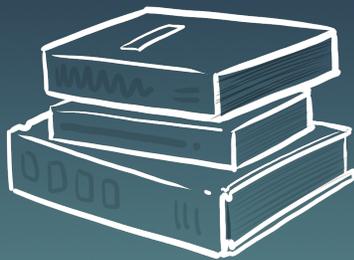
<sup>79</sup> Department of Agriculture National Agricultural Statistics Service. 2019. “2017 Census of Agriculture Highlights: Farm Producers.” [https://www.nass.usda.gov/Publications/Highlights/2019/2017Census\\_Farm\\_Producers.pdf](https://www.nass.usda.gov/Publications/Highlights/2019/2017Census_Farm_Producers.pdf).

<sup>80</sup> Arnsdorf, Isaac. 2019. “How a Top Chicken Company Cut Off Black Farmers, One by One.” ProPublica. <https://www.propublica.org/article/how-a-top-chicken-company-cut-off-black-farmers-one-by-one>.

<sup>81</sup> Color of Change. 2020. “First COVID-19 Survey of Black and Latino Small-Business Owners Reveals Dire Economic Future, Inaccessible and Insufficient Government Relief Funds.” [https://colorofchange.org/press\\_release/first-covid-19-survey-of-black-and-latino-small-business-owners-reveals-dire-economic-future/](https://colorofchange.org/press_release/first-covid-19-survey-of-black-and-latino-small-business-owners-reveals-dire-economic-future/).

closed—in stark contrast to 17 percent of White businesses).<sup>82</sup> For the businesses that survive, many entrepreneurs of color exist in heavily concentrated industries and must try to compete with bigger, dominant firms. Notably, a majority of Black-owned businesses employ people in health care and social assistance industries; professional, scientific, and technical services; administrative support and waste management services; construction; and transportation and warehousing.<sup>83</sup>

## Hannah Oliver-Depp of Loyalty Bookstore



Hannah Oliver Depp is the owner of Loyalty Bookstore, an independent, Black-owned bookstore in Washington DC and Silver Spring, Maryland.<sup>83</sup> Centering Black, people of color, undocumented folks, and queer voices in the bookstore, Depp aims to diversify the book industry in order to uplift the stories of and better serve those communities. Loyalty Bookstore not only provides a living for Hannah and her family, but it also, like so many Black-owned independent books stores, serves as a community institution giving a platform to voices often stifled or ignored by the mainstream retail book industry, of which Amazon dominates. When issues arise that “adversely affect Black and brown people and the undocumented[,] those are the people whose stories I’m interested in telling,” Hannah said, “and they’re my direct community that I’m trying to provide books to.”<sup>84</sup>

Access to capital for Black and Latinx business owners and entrepreneurs is critical to success. Monopoly power exacerbates challenges in accessing capital, buying necessary supplies, and reaching consumers.<sup>86</sup> A study in 2018 found that the more

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<sup>82</sup> Fairlie, Robert W. 2020. “The Impact of COVID-19 on Small Business Owners: Evidence of Early-Stage Losses from the April 2020 Current Population Survey.” NBER: [https://www.nber.org/system/files/working\\_papers/w27309/w27309.pdf](https://www.nber.org/system/files/working_papers/w27309/w27309.pdf).

<sup>83</sup> McKinsey & Company. 2020. “Building Supportive Ecosystems for Black-Owned US Businesses.” <https://www.mckinsey.com/industries/public-and-social-sector/our-insights/building-supportive-ecosystems-for-black-owned-us-businesses#>.

<sup>84</sup> Loyalty Bookstore. N.d. <https://www.loyaltybookstores.com/>.

<sup>85</sup> Fam, Alli. 2020. “How One Indie Bookstore Is Surviving COVID-19.” Marketplace. <https://www.marketplace.org/2020/12/01/all-the-pandemic-has-done-is-shine-a-horrifyingly-clear-spotlight-on-every-inequality-in-our-community-and-my-community-is-the-book-community/>.

<sup>86</sup> Albergotti, Reed. 2020. “Black Start-Up Founders Say Venture Capitalists Are Racist, but the Law Protects Them.” Washington Post. <https://www.washingtonpost.com/technology/2020/07/22/black-entrepreneurs-venture-capital/>.

concentrated the market for loans, the more likely a Black entrepreneur would be denied a loan.<sup>87</sup> This lack of access is made worse when entrepreneurs of color have to partner with monopolies to get their goods to market. One key example is Amazon charging small businesses to rent space on their platform. Even when entrepreneurs have the capital to cover the costs to rent space or maintain inventory, they still have to compete with Amazon to sell their goods and services on its platform.<sup>88</sup> When it comes to the retail industry that Amazon dominates, entrepreneurs of color are swimming upstream.

## **People Who Are Being Surveilled and Having Their Privacy Violated**

Private companies and public agencies increasingly utilize data collection, data analysis, and data sharing to predict outcomes or inform decisions more than ever before. Often, the desired outcome is profit maximization at the expense of the public good. These processes are rife with possibilities of reinforcing stereotypes, biases, and exclusions of people of color—and in many cases, the possibilities are a reality.

Let's start with the criminal legal system's increasing dependence on data. Since 2008, police departments across the country have increased their use of predictive policing, or the use of data to anticipate and respond to crime. Judges increasingly use algorithms to determine sentences and to set pre-trial terms. In both cases and beyond, racial and social justice advocates and organizers point to the inherent problem of using biased data to generate life and death decisions. Furthermore, the companies that provide these tools do not make their analytical methods public because they are proprietary.<sup>89</sup> This limits advocates' and organizers' ability to understand the practices at play and to hold these private systems to account.

That's to speak nothing of the electronic monitoring devices, such as GPS and microphones, that track the whereabouts of those awaiting trial, parolees, and those under Immigration and Customs Enforcement (ICE) supervision. Despite little evidence

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<sup>87</sup> Fairlie, Robert W. 2018. "Latino Business Ownership: Contributions and Barriers for US-Born and Immigrant Latino Entrepreneurs." Small Business Administration. [https://www.sba.gov/sites/default/files/Latino-Business-Ownership-Research-Paper\\_.pdf](https://www.sba.gov/sites/default/files/Latino-Business-Ownership-Research-Paper_.pdf).

<sup>88</sup> Collins-Dexter, Brandi et al. 2019. "Re: Online Platforms and Market Power, Part 6: Examining the Dominance of Amazon, Apple, Facebook, and Google Hearing" (Open Letter). Color of Change and Liberation in a Generation. <https://docs.house.gov/meetings/JU/JU05/20200729/110883/HHRG-116-JU05-20200729-SD010.pdf>.

<sup>89</sup> Ryan, Meghan J. 2019. "Secret Conviction Programs." SSRN: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3496055](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3496055).

to prove lower recidivism rates, these devices have grown in popularity among states seeking alternatives to incarceration. The people under supervision, predominantly Black and brown folks, are often required to pay for the device and daily usage fees—costs that are set by the company or agency, and costs that, too often, cost far beyond what supervisees can pay. This surveillance and restriction of movement can be financially costly to defendants, stressful,<sup>90</sup> make it difficult to respond to family emergencies, and prevent them from getting a job that requires travel outside of the allowable range—all blatant forms of economic and societal oppression.<sup>91</sup> The growth of this trend is backed by a few companies, including CoreCivic and GEO Group, that control the devices and their reporting and own private prisons.<sup>92</sup>

Finally, there are also “data-opolies” that harm us: Apple, Google, Facebook, and Amazon, which collect unprecedented amounts of information about us as we connect with friends, buy our goods online, search the internet, and work. These few companies have loads of information that magnifies their wealth, can be used to shut out competitors, and can be used nefariously to manipulate voters and the public at large.<sup>97 98</sup>

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<sup>90</sup> Opsal, Tara D. 2009. “Women on Parole: Understanding the Impact of Surveillance.” Taylor & Francis Online. <https://www.tandfonline.com/doi/abs/10.1080/08974450903224345?journalCode=wwcj20&>.

<sup>91</sup> Electronic Frontier Foundation. N.d. “Electronic Monitoring.” <https://www.eff.org/pages/electronic-monitoring>.

<sup>92</sup> Kofman, Ava. 2019. “Digital Jail: How Electronic Monitoring Drives Defendants Into Debt.” ProPublica. <https://www.propublica.org/article/digital-jail-how-electronic-monitoring-drives-defendants-into-debt>.

<sup>93</sup> Molla, Rani. 2020. “How Amazon’s Ring is creating a surveillance network with video doorbells.” Vox. <https://www.vox.com/2019/9/5/20849846/amazon-ring-explainer-video-doorbell-hacks>.

<sup>94</sup> Haskins, Caroline. 2019. “Amazon’s Home Security Company Is Turning Everyone Into Cops.” Vice. <https://www.vice.com/en/article/qyvyzd/amazons-home-security-company-is-turning-everyone-into-cops>.

<sup>95</sup> Molla, Rani. 2020. “How Amazon’s Ring Is Creating a Surveillance Network with Video Doorbells.” Vox. <https://www.vox.com/2019/9/5/20849846/amazon-ring-explainer-video-doorbell-hacks>.

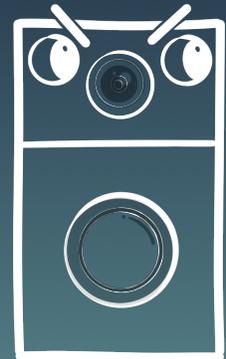
<sup>96</sup> Fight for the Future. 2019. “Open Letter Calling on Elected Officials to Stop Amazon’s Doorbell Surveillance Partnerships with Police.” <https://www.fightforthefuture.org/news/2019-10-07-open-letter-calling-on-elected-officials-to-stop/>.

<sup>97</sup> Stucke, Maurice E. 2018. “Here Are All the Reasons It’s a Bad Idea to Let a Few Tech Companies Monopolize Our Data.” Harvard Business Review. <https://hbr.org/2018/03/here-are-all-the-reasons-its-a-bad-idea-to-let-a-few-tech-companies-monopolize-our-data>.

<sup>98</sup> Radinsky, Kia. 2015. “Data Monopolists Like Google Are Threatening the Economy.” Harvard Business Review. <https://hbr.org/2015/03/data-monopolists-like-google-are-threatening-the-economy>.

## Amazon Ring Service

Acquired by Amazon for \$839 million in 2018, the Ring company sells low-cost security devices that integrate with its social media app called Neighbors.<sup>92</sup> Neighbors allows users to publicly share their surveillance videos and view posts from others within a five-mile radius. This app has exacerbated racial stereotyping and profiling through the disproportionate depiction of people of color as “suspicious.”<sup>93</sup> In an effort to expand surveillance technology, Ring has also partnered with at least 770 police departments in the US as of January 2020.<sup>94</sup> Amazon has not only trained police on how to persuade residents to hand over video footage, but it has also encouraged police to motivate residents to purchase Ring cameras for their homes. The growing partnerships between Amazon, Ring, and law enforcement further strengthen a massive police surveillance system that disproportionately harms communities of color all while encroaching on people’s privacy and eroding the already precarious civil liberties of people of color. In 2019, 30 civil rights organizations published a joint letter demanding lawmakers to end Ring’s surveillance partnerships with law enforcement.<sup>95</sup>



## SECTION 4

# Government and Its Potential: Hero, Turned Villain, Turned Hero?

Fans of literature and movies will recognize a popular character in American storytelling: the villain turned hero. The villain-turned-hero storyline is attractive because it allows for the villain's influential power to be redirected away from causing harm and toward healing pain. In our fight to rein in monopoly power, the government—particularly the federal government—could be our stories' reformed hero. Grassroots leaders of color are uniquely positioned to convert government power, which has largely been complicit in the expansion of monopoly power, into a force for good that reins in the devastation caused by corporate monopolies.

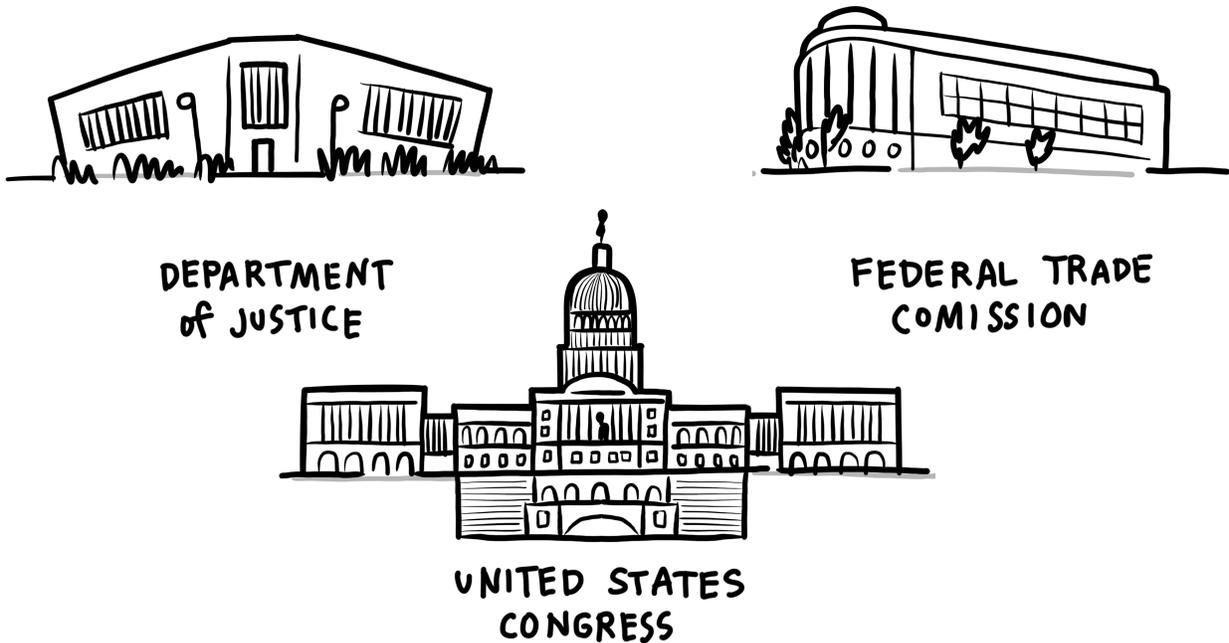
Similar to organizers, our government has a distinct role to play to directly challenge monopoly power. This is especially true of the federal government. The federal government has the constitutional authority to set the rules that govern our entire economy, including the rules that govern monopolies. In fact, the federal government is the entity with the greatest amount of money and authority to match monopoly power. Through what can and should be democratic systems of government, it is also the principal entity, directly accountable to workers, consumers, and communities instead of shareholders and CEOs. The question, then, is not if our government can curb monopoly power, but if it is willing to fulfill its responsibility to do so.

**The question, then, is not if our government can curb monopoly power, but if it is willing to fulfill its responsibility to do so.**

As discussed in the introduction, the federal government took strong and decisive action against monopoly power in the late 19th and early 20th century. During this time, Congress passed the Sherman Act, Clayton Act, and the Federal Trade Commission Act. The Federal Trade Commission (FTC) was formed in 1914, and the federal courts took decisive action to break up the massive monopolies that dominated critical industries, such as railroad and oil industries. However, in the second half of the 20th century, the federal government (and thus the federal courts) not only rolled back its actions against monopoly power, but it actually empowered corporate monopolies to grow larger and more powerful.

	<b>BOSTON TEA PARTY</b>	<b>1773</b>	
		<b>1861 - 1865</b>	<b>THE CIVIL WAR</b> 
	<b>SANTA CLARA COUNTY V. SOUTHERN PACIFIC RAILROAD</b>	<b>1866</b>	
		<b>1890</b>	<b>THE SHERMAN ACT</b> 
	<b>NORTHERN SECURITY CO. V. UNITED STATES</b>	<b>1904</b>	
		<b>1911</b>	<b>STANDARD OIL V. UNITED STATES</b> 
	<b>THE CLAYTON ANTITRUST ACT</b>	<b>1914</b>	<b>FEDERAL TRADE COMMISSION ACT</b> 
	<b>BREAK UP OF THE BELL SYSTEM</b>	<b>1984</b>	
		<b>2004</b>	<b>VERIZON COMM V. TRINKO</b> 

Below are the government actors who have the greatest power to influence the scale of monopoly power.



## United States Congress

Congress holds what could be the most sweeping power to curb the debilitating influence of monopoly power in our lives. Members of Congress are intended to be directly accountable to voters and are elected to represent our interests in economic and societal matters. Three laws serve as the foundation for current federal authority over monopoly power.<sup>99</sup>

- The Sherman Act of 1890: outlawed corporate monopolies and gave the federal government the authority to punish corporations and individuals that create a monopoly.
- The Federal Trade Commission Act of 1914: established the FTC in order to protect consumers from unfair and deceptive business practices and to promote market competition (more on the FTC later in this section).
- The Clayton Act of 1914: outlawed corporate actions not covered under the Sherman Act, such as monopolies created through mergers and acquisitions, and discriminatory pricing, services, and allowances when dealing with merchants.<sup>100</sup>

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<sup>99</sup> The Antitrust Improvement Act of 1976 required that corporations notify the government of planned mergers and acquisitions.

<sup>100</sup> The discriminatory pricing provisions were added by the Portman–Robinson Act of 1936, an amendment to the Clayton Act.

Additionally, the House and Senate Judiciary committees provide critical oversight of anti-monopoly enforcement. In October of 2020, the House Judiciary Committee concluded hearings and issued a report on the growing monopoly power of Big Tech.<sup>101</sup> The report found that Big Tech firms are operating as corporate monopolies, and it recommended options for congressional action to rein in their monopoly power (including breaking them up into smaller companies and blocking future mergers and acquisitions).

## Federal Trade Commission

The FTC was created by Congress and President Woodrow Wilson in 1914. The FTC's mission is to protect consumers against unfair, deceptive, or fraudulent practices, and to promote competition by curbing corporate monopoly power. The FTC carries out this mission through its enforcement and investigative powers and can take action against monopoly power by:

- Blocking corporate mergers and acquisitions;
- Issuing criminal and civil penalties (fines and prison) against corporations and individuals that violate US law;<sup>102</sup> and
- Issuing rules that implement the authority granted to the FTC by Congress (including the Sherman Act, the FTC Act and the Clayton Act).

The FTC is headed by five commissioners, who are nominated by the president and confirmed by the Senate, and each commissioner serves a seven-year term. No more than three commissioners can be of the same political party (typically meaning a three-to-two majority for the president's party). The president chooses one commissioner to serve as chair of the FTC.<sup>103</sup> For over 100 years, the FTC has taken action to rein in corporate monopoly power in a variety of industries, including in oil and gas, telecommunications, and health care. In 1958, for example, the FTC took action against five pharmaceutical companies for fixing the price of a popularly prescribed antibiotic, an action that disrupted a powerful drug monopoly.<sup>104</sup> In

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<sup>101</sup> Subcommittee on Antitrust, Commercial, and Administrative Law. 2020. "Investigation of Competition in Digital Markets." Committee on the Judiciary, Majority Staff. [https://judiciary.house.gov/uploadedfiles/competition\\_in\\_digital\\_markets.pdf](https://judiciary.house.gov/uploadedfiles/competition_in_digital_markets.pdf).

<sup>102</sup> Maximum criminal penalties are \$100 million for a corporation, and \$1million for an individual and 10 years in jail.

<sup>103</sup> Current commissioner can be found [here](#).

<sup>104</sup> Open Markets Institute. N.d. "Anti-Monopoly Timeline." <https://www.openmarketsinstitute.org/timeline/>.

December of 2020, the FTC joined 48 states and US territories in a lawsuit against Facebook for antitrust violations, setting the stage for a future breakup of the company.<sup>105</sup>

## Department of Justice

The Department of Justice (DOJ) has the longest history of enforcing the nation's antitrust laws. The agency is empowered to bring lawsuits against corporations for violations of the Sherman Act, Clayton Act, and other federal laws. It performs this mission through its Antitrust Division. The DOJ's greatest authority is to break up corporations that are operating with anticompetitive monopoly power. Consequential in establishing this authority was the successful break up of the Northern Securities railroad trust in 1904, a monopoly financed by J.P. Morgan and John D. Rockefeller.<sup>106</sup> For nearly 120 years, the DOJ has taken action against monopolies in the railroad, oil, electric, telecommunications, and many other industries. In the 1990s, the DOJ took action to break up Microsoft due to the anticompetitive nature of its Windows operating system, and it moved against Verizon for refusing to open its wireless network to other wireless companies.<sup>107</sup>

## Other Federal Agencies

A number of other federal agencies also carry the responsibility of regulating and curbing the anticompetitive nature of corporate monopolies. These agencies are largely responsible for regulating very specific industries. Below, we provide a brief summary.

- Monopolies in the financial service industry are regulated by the Treasury Department (Office of Comptroller of the Currency and Federal Depository Insurance Agency), the Consumer Financial Protection Bureau (CFPB), and the Federal Reserve (the Fed).
- Monopolies in the pharmaceuticals industry are regulated by the Department of Health and Human Services (HHS) through the Federal Drug Administration (FDA).
- Monopolies in the agricultural industry are regulated by the Department of Agriculture.

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<sup>105</sup> Romm, Tony. 2020. "US, States Sue Facebook as an Illegal Monopoly, Setting Stage for Potential Breakup." Washington Post. <https://www.washingtonpost.com/technology/2020/12/09/facebook-antitrust-lawsuit/>.

<sup>106</sup> Open Markets Institute. N.d. "Anti-Monopoly Timeline." <https://www.openmarketsinstitute.org/timeline/>.

<sup>107</sup> Ibid.

- Monopolies in the energy utility industry are regulated by the Department of Energy and the Environmental Protection Agency (EPA).
- Monopolies in the telecommunications industry (e.g., wired and wireless phones, broadcast media, and broadband cable) are regulated by the Federal Communications Commission (FCC).

## Federal Courts

The federal courts, the Supreme Court in particular, have had a significant impact on the strength of US antitrust laws; all actions taken by the FTC and DOJ are subject to judicial review and constitutional due process. Over time, the actions taken by the court have significantly lessened the strength of the federal government to enforce antitrust laws. Coupled with the lack of action by contemporary congresses, the courts have paved the way for monopolies to flourish. Here is a timeline of key judicial decisions:

- 1886 Santa Clara County v. Southern Pacific Railroad: This court case established the “personhood” of a corporation. Though the case did not deal with this directly, a note from the presiding justice’s clerk has been used to establish this guiding judicial precedent.
- 1904 Northern Securities Co. v. United States: As mentioned earlier, this case broke up a major railroad monopoly through a Supreme Court decision. It was a major victory establishing the federal government’s authority to break up large corporate monopolies.
- 1911 Standard Oil v. United States: The US successfully broke up the Standard Oil monopoly by establishing that the corporation was guilty of fixing prices and collusion. However, even in defeat, corporate institutions gained a long-term victory. For the first time, the Supreme Court established that monopoly on its own was not illegal, but rather the courts (not the executive or legislative branches) had a right to determine which monopolies are “good” or “bad,” a decision that has served as judicial precedent to justify the existence of monopolies.
- 1984 Breakup of the Bell System: The breakup of the “Bell System” controlled by AT&T proved to be the last big break up of a large monopoly. The case was settled out of court when AT&T and the DOJ entered a consent decree agreeing to break it up into eight different companies, known as the “Baby Bells.” However, the monopoly friendly DOJ under President Reagan allowed four of the eight companies to rejoin AT&T in the 1980s. Today, almost all of the “baby bells” have rejoined AT&T, and it is now twice the size it was before the company was broken up.<sup>108</sup>

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<sup>108</sup> <https://www.businessinsider.com/att-breakup-1982-directv-bell-system-2018-02>

- 2004 Verizon Communications v. Trinko: This Supreme Court case was brought because Verizon refused to share its cellular network with its competitor AT&T. The plaintiff in the case (not the DOJ) alleged that the act amounted to exclusionary conduct that restricted competition. In a unanimous opinion, the Supreme Court found that Verizon's "monopoly power" was "an important element of the free market system" and incentivized innovation. This established a (flawed) conservative argument that private monopoly power is actually good for consumers.<sup>109</sup>

## State Oversight

Because companies in the US are incorporated by state governments, these governments also have powerful authority to regulate monopolies. This power harkens back to the founding of the country and the initial powers held by the former colonies. In the early years, states incorporated businesses selectively and issued tightly constructed corporate charters that outlined corporate responsibilities to advance the public good. At the time, shareholder profit was viewed as a means to the end of contributing to the public good, not the number one priority as it is treated today.

State attorneys general (AGs) are responsible for the enforcement of antitrust laws at the state level. Additionally, as elected officials, they have a direct line of accountability to voters. State AGs can bring state antitrust cases, join DOJ and FTC antitrust actions, and join class-action antitrust suits with other states and individuals. State AGs also have the power to protect consumers against fraud, abuse, corruption, and deceptive business practices, which are often used by state AGs to rein in monopoly power when antitrust laws fall short.



The web of anti-monopoly government oversight and regulations is currently a massive cluster of complexity, which is intentional. The system works in monopolists' favor because of their runaway economic and political power, which they've used to afford the best and most expensive lawyers, lobbyists, and accountants to navigate the labyrinth of laws, regulations, and court precedent that govern antitrust

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<sup>109</sup> Open Markets Institute. N.d. "Anti-Monopoly Timeline." <https://www.openmarketsinstitute.org/timeline/>.

enforcement. Ultimately, the built-by-design complexity bends the arc of the law to their benefits. Further, the complexity divides the power of the government among smaller entities (e.g., state government and industry-based federal agencies), which gives monopolies greater advantage in wielding their monopoly power. Additionally, the complexity makes it difficult for workers, consumers, and communities to navigate the systems so they can impose their own power to curb monopoly power.

Our government is capable of becoming the people's hero again, and the public needs—and we demand—its protection against corporate monopolies. In the next section, we discuss solutions to tame the beast that is monopoly power.

## SECTION 5

# Taming the Beast: Solutions to Curb Monopoly Power

The scale and reach of problematic corporate concentration are far and wide. As a result, advocates, researchers and regulators take many approaches to taming concentration. We'll note that there are too many efforts and approaches for us to catalog in one paper, and we acknowledge there is a great deal of activity that we leave out.<sup>110</sup> For simplicity, we've categorized efforts that we think will be of interest to activist of color:

- Strengthen and enforce existing laws;
- Enhance worker power;
- Break up big corporations;
- Challenge private concentration through public competition; and
- Establish new agencies and authorities.

Admittedly, many of these approaches are necessary and would be best executed in concert.

## Strengthen and Enforce Existing Laws

The last section illustrated the myriad ways in which the federal government regulates companies across industries. Our current regulations are mostly meant to protect consumer interests and are enforced by the DOJ, the FTC, other federal agencies, and by direct private lawsuits.<sup>111</sup> And in too many cases, courts are reluctant to rule in favor of the government and its enforcers for fear of setting legal precedent.

We need legislation to lower the burden of proof required to challenge anticompetitive mergers and to expand the definition of harm to go beyond consumers and include

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<sup>110</sup> For a deeper account of the effectiveness (and ineffectiveness) of Obama-era anti-monopoly action, we suggest the Economic Liberty Project's forthcoming report, "Courage to Learn: A Retrospective on Antitrust and Competition Policy During the Obama Administration and a Framework for a New Structural Approach."

<sup>111</sup> Department of Justice. N.d. "Antitrust Enforcement and the Consumer." <https://www.justice.gov/atr/file/800691/download>.

the other oppressive impacts of monopoly power on consumers, workers, communities, our democracy, and the planet. An increase in funding for enforcement agencies is also needed to keep pace with the rise in monopolization and to study the impacts of anti-monopoly action or inaction.<sup>112</sup>

While anti-monopoly efforts could be more effective at protecting consumers, we especially need better ways to protect workers, small businesses, and local economies. Key questions, that are not being asked enough now, should be top of mind for researchers and advocates who work with or for the DOJ and the FTC to consider how labor markets are impacted by mergers and what level of market power any merger will create. Will fewer jobs exist? Will workers be less able to move from job to job? Notably, advocates are calling for laws that make non-compete and no-poaching agreements illegal outright.<sup>113</sup>

## Enhance Worker Power

Corporate aggression toward worker voice goes beyond union busting to the blatant opposition of new formations of worker organizing, including worker centers and other systems and institutions that have helped workers push for changes outside the traditional forms of collective bargaining. Although the traditional labor movement, much like many large American institutions, has historically been exclusionary toward Black people and other people of color, when people of color have been able to organize and gain collective power, it has led to higher wages, better working conditions, and access to critical health benefits.

Minimum wage laws and worker organizing (including but not limited to union membership) can help increase wages and bargaining power for Black workers.<sup>114</sup> Notably, research has found that the decline of unionization that has happened over the last few decades has had a vastly negative impact on Black workers.<sup>115</sup> For Black

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<sup>112</sup> Baer, Bill. 2020. "Improving Antitrust Law In America" (Testimony). Brookings Institute. <https://www.brookings.edu/testimonies/improving-antitrust-law-in-america/>.

<sup>113</sup> Krueger, Alan B., and Eric A. Posner. 2018. "A Proposal for Protecting Low-Income Workers from Monopsony and Collusion." The Hamilton Project. [https://www.hamiltonproject.org/assets/files/protecting\\_low\\_income\\_workers\\_from\\_monopsony\\_collusion\\_krueger\\_posner\\_pp.pdf](https://www.hamiltonproject.org/assets/files/protecting_low_income_workers_from_monopsony_collusion_krueger_posner_pp.pdf).

<sup>114</sup> KleyKamp, Meredith, and Jake Rosenfeld. 2013. "How the Decline of Unions Has Increased Racial Inequality." Democracy Journal. <https://democracyjournal.org/arguments/how-the-decline-of-unions-has-increased-racial-inequality/>.

<sup>115</sup> Ibid.

women working in private sectors, the wage gap in comparison to white women would be an estimated 30 percent less if it weren't for declining union membership since 1979. Declining union membership, and the shrinking of public sector employment more generally, has widened the Black-white pay gap.<sup>116</sup> Declines in union membership since 1970 have cost Black workers about \$50 a week, or \$2,600 annually for a full-time worker.<sup>117</sup>

New forms of worker organizing have effects that go beyond collective bargaining. For instance, worker centers and other coalitions have supported non-union workers throughout the COVID-19 pandemic. In Southern California, for example, coalitions have helped unions establish health and safety committees.<sup>118</sup> Amazon workers and groups who organize them partnered with attorneys general and lawmakers in New York and California to bring light to dangerous working conditions that Amazon was concealing from the public early on.<sup>119</sup>

Advocates and policymakers have suggested national solutions to enhance the growth of worker power. The Protecting the Right to Organize (PRO) Act, introduced by Rep. Bobby Scott (D-VA) and passed by the House of Representatives in 2020, would institute a menu of policy reforms supported by the modern labor movement, including repealing state right-to-work laws, protecting workers' right to organize and shielding them from corporate retaliation, and punishing businesses that violate the law. Sectoral bargaining<sup>120</sup> is another solution that has been advanced by labor activists. This idea would allow workers in an entire industry to organize and collectively bargain wages, benefits, and workplace conditions across an entire industry, not just a single workplace. The idea is that millions of workers in an entire sector would hold more collective power than a few thousand workers negotiating with a single firm. We've seen the wisdom of this idea in the Fight for \$15 movement

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<sup>116</sup> Rosenfeld, Jake, and Meredith Kleykamp. 2015. "Organized Labor and Racial Wage Inequality in the United States." National Institutes Biotechnology Information. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4300995/>.

<sup>117</sup> Ibid.

<sup>118</sup> Miller, Leila. 2020. "La County Approves Program for Workers to Form Public Health Councils to Curb Coronavirus Spread." Los Angeles Times. <https://www.latimes.com/california/story/2020-11-10/la-me-la-county-public-health-councils>.

<sup>119</sup> Palmer, Annie. 2020. "State AGs Ask Amazon to Provide Data on Worker Deaths, Coronavirus Safety." CNBC. <https://www.cnn.com/2020/05/12/state-ags-ask-amazon-to-provide-data-on-worker-deaths-coronavirus-safety.html>.

<sup>120</sup> Block, Sharon, and Benjamin Sachs. 2019. "Clean Slate for Worker Power: Building a Just Economy and Democracy." Clean Slate. <https://www.cleanslateworkerpower.org/clean-slate-agenda>.

that has successfully pressured fast food and retail companies, either voluntarily or through legislation, to increase their minimum wage to \$15 per hour.

Because corporate power brokers have actively and successfully colluded with anti-worker politicians to block workers (of color, especially) from forming unions, many workers of color have sought solutions beyond unionization to hold corporate monopolies accountable to providing livable wages, safe and healthy working conditions, and robust benefits. Solutions like those identified above should be explored to ensure that the rights of workers who are unable to unionize are protected from unchecked monopoly power.

## Break Up Big Corporations

Of the few examples of the federal government breaking up corporations for violating anti-monopoly laws, the smaller companies that were created eventually re-merged into larger companies (e.g., Standard Oil and Exxon; AT&T and Verizon). For advocates looking to break up Big Tech companies, the lesson is clear: To ensure that these companies do not reunite after they're broken up, our advocacy must be strategic, multifaceted, and continue beyond the initial victory. Advocates are calling for "structural separation" legislation that forbids companies from owning adjacent lines of business that benefit from their dominant platforms (e.g., railroad companies owning the goods they are shipping). Breaking up Amazon, for example, would mean breaking up its online marketplace and retail, cloud, and logistics divisions as distinct companies.<sup>121</sup> This means disbanding Whole Foods and Zappos from Amazon too.<sup>122</sup>

The Athena Coalition is currently the strongest grassroots-led group working to break up any tech platform. Through its coalition, over 50 organizations nationwide are working to break up the power of Amazon by organizing workers for better pay and working conditions, consumers and small businesses to support federal action, and

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<sup>121</sup> Mitchell, Stacy. 2020. "Don't Let Amazon Get Any Bigger." New York Times. <https://www.nytimes.com/2020/10/08/opinion/amazon-antitrust.html>.

<sup>122</sup> Warren, Elizabeth. 2019. "Here's how we can break up Big Tech." Medium. <https://medium.com/@teamwarren/heres-how-we-can-break-up-big-tech-9ad9e0da324c>; Kolhatkar, Sheelah. 2019. "How Elizabeth Warren Came Up with a Plan to Break Up Big Tech." The New Yorker. <https://www.newyorker.com/business/currency/how-elizabeth-warren-came-up-with-a-plan-to-break-up-big-tech>.

communities to end Amazon's environmental racism and racist government subsidization.<sup>123</sup>

## Challenge Private Concentration Through Public Competition

Over the course of our national history, the federal government has deemed some services so essential that it creates government monopolies to ensure that all people receive an equitable level of service. As noted earlier, these services include the USPS, public K–12 education, and public utilities, which the government has deemed as necessary to the public good.

Some have suggested that banking is just the type of essential service that should be guaranteed to all, and these advocates have proposed the creation of a public monopoly to challenge banking monopolies.<sup>124</sup> Reps. Rashida Tlaib (D-MI) and Alexandria Ocasio-Cortez (D-NY) introduced the Public Banking Act to give the Fed authority and funding to encourage cities and states to create public banks.<sup>125</sup> Through these public banks, all people, especially people of color who are disproportionately underbanked,<sup>126</sup> would have guaranteed access to banking services and lines of credit. Not only does it provide competition to challenge big banks, it also provides an alternative to federal COVID-19 relief that is lining the pockets of Wall Street banks.

## Establish New Agencies and Authorities

Some in the anti-monopoly movement have advocated for the creation of new authorities and agencies to curb monopoly power. And there is recent precedent to support this position: In response to the banking mismanagement that caused the housing crisis and Great Recession, the Obama administration created the Consumer

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<sup>123</sup> Lippert, John, and Natalie Moore. 2020. "Amazon's Massive Chicago-Area Expansion Was Fueled By \$741 Million From Taxpayers." WBEZ. <https://www.wbez.org/stories/amazons-massive-chicago-area-expansion-was-fueled-by-741-million-from-taxpayers/300fa829-1b71-4d9e-a2f4-1776e88d4cb3>.

<sup>124</sup> Baradaran, Mehrsa. 2017. *The Color of Money: Black Banks and the Racial Wealth Gap*. Harvard College.

<sup>125</sup> Stewart, Emily. 2020. "Exclusive: Rashida Tlaib and AOC Have a Proposal for a Fairer, Greener Financial System — Public Banking." Vox. <https://www.vox.com/policy-and-politics/21541113/rashida-tlaib-aoc-public-banking-act>

<sup>126</sup> Prosperity Now. N.d. "Scorecard: Financial Assets and Income." <https://scorecard.prosperitynow.org/data-by-issue#finance/outcome/unbanked-household>.

Financial Protection Bureau in 2008. The CFPB has returned over \$12 billion in relief for consumers.

New federal agencies can bolster and reinvigorate regulatory authority that's become lax and ineffective. For example, some have proposed creating a Digital Platform Agency<sup>127</sup> to oversee Big Tech companies. Critics of this approach say that creating a new agency does not go far enough on regulation and could be subject to corporate influence and/or capture. Proponents, however, argue that the Big Tech sector is different enough from other commodities that it needs a dedicated agency.<sup>128</sup> In either case, this idea warrants discussion and raises a question of whether we should also consider giving more anti-monopoly authority (and necessary funding) to existing federal agencies (such as the FDA, Treasury, FTC, and USDA). At minimum, we must ensure that federal agencies have the authority to protect workers, consumers, and communities of color against exploitation by corporate monopolies. It should not be disregarded that this may require creating new agencies and regulatory powers.

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<sup>127</sup> Wheeler, Tom, Phil Verveer, and Gene Kimmelman. 2020. "New Digital Realities; New Oversight Solutions in the US." Shorenstein Center. [https://shorensteincenter.org/wp-content/uploads/2020/08/New-Digital-Realities\\_August-2020.pdf](https://shorensteincenter.org/wp-content/uploads/2020/08/New-Digital-Realities_August-2020.pdf).

<sup>128</sup> Lohr, Steve. 2020. "Forget Antitrust Laws." New York Times. <https://www.nytimes.com/2020/10/22/technology/antitrust-laws-tech-new-regulator.html>; John Roberts, Jeff. 2020. "Is It Time for a New Agency to Oversee Big Tech? Many Say Yes." Fortune. <https://fortune.com/2020/10/23/is-it-time-for-a-new-agency-to-oversee-big-tech-many-say-yes/>.

## SECTION 6

# Recommendations for Future Action

As illustrated in section 3, the federal government has many laws and regulations to rein in corporate concentration. Some advocates work to ensure that current regulations are being enforced; other advocates work to identify new regulations and even agencies to respond to the ways that corporate concentration has dominated our economy.

**We believe that the movement—within research and advocacy spaces especially—should embolden grassroots leaders of color to deliver antiracist policy solutions aimed specifically to curtail monopoly power.**

We believe that the movement—within research and advocacy spaces especially—should embolden grassroots leaders of color to deliver antiracist policy solutions aimed specifically to curtail monopoly power. Below, we provide considerations for future action that are not policies or regulations or campaigns in and of

themselves, but ideas that could transform the anti-monopoly movement in ways that require it to reimagine itself and approach the work through a racial justice lens.

## Develop More In-Depth, Intentional Research

Part of the impetus for writing this document is that Liberation in a Generation believes that the power to change our economic systems rests with the organizers of color who

are (re)building the political strength of communities of color. The research and advocacy to limit monopoly power needs to better quantify, center, and reflect the ways that people of color are being harmed. This means conducting research that centers the impact of monopoly power on people of color (as workers, consumers, community members, and participants in our democracy). The research and advocacy need to be relevant to the organizers who are indeed experiencing and fighting many of these forces on the ground, and it should inform solutions that they develop, nurture, and advance through activism. The research and advocacy must use less jargon and abstraction, focusing less on markets, firms, or efficiencies, and it should talk more about the impact of corporate decisions on people, their lives, and their futures. The tent of advocates working on anti-monopoly needs to widen as well. Bringing in the people most impacted is essential to shaping and accomplishing the path forward.

## **Draw Connections Between Monopoly Power and Current Movement Priorities**

As discussed earlier in this paper monopoly power has enormous impact on other movement priorities led by leaders of color, such as environmental justice, worker justice, housing justice, police and prison abolition, closing the racial wealth gap, and democratic disenfranchisement. Anti-monopoly policy can be a powerful tool to accomplish existing movement priorities, including the Green New Deal, a Homes Guarantee, a federal jobs guarantee, and Medicare for All. In order to fully utilize it as a tool, anti-monopoly advocates must support—mainly in the background—grassroots leaders of color in integrating anti-monopoly policy and advocacy strategies into the existing campaigns they are leading. By following their lead, and by working together to curb corporate power, we as a collective progressive movement can accomplish an array of movement priorities and move the US closer to liberation for people of color.

## Build Solutions That Are Antiracist and Center People of Color as Beneficiaries

It's not enough to speak virtuously about racial equity and economic justice; we have to intentionally center people of color in the development of policy change. To the previous point, advocates and researchers who evaluate solutions to corporate concentration should include a measure of impacts on Black, Latinx, Indigenous, Asian, and Pacific Islander people. As consumers, entrepreneurs, and residents, we are the ones most vulnerable to the inequities, the forced scarcity, and price gouging inflicted by corporate concentration, among other problems. History has shown us that race-neutral approaches only exacerbate that vulnerability by entrenching current systems—systems that are inherently racist. We know that “race-neutral” policies assume whiteness as the norm and thus serve and preserve white supremacy. So, advancing anti-monopoly policy that is antiracist and centers people of color must be the standard that we all follow moving forward.

**It's not enough to speak virtuously about racial equity and economic justice; we have to intentionally center people of color in the development of policy change.**

## Think Bigger and Bolder Than Existing Regulations and Agencies

Large segments of the current anti-monopoly legal and regulatory infrastructure are corrupted beyond repair. Further, these systems are complicit in the economic oppression of people of color. The goals of the anti-monopoly movement should be to completely dismantle our systems of oppression and replace them with government systems that deliver economic liberation. Our regulatory structure is complicated, spread across many agencies, and lacking enforcement power. The complexity of our

**The goals of the anti-monopoly movement should be to completely dismantle our systems of oppression and replace them with government systems that deliver economic liberation.**

nation's anti-monopoly laws, regulations, and oversight have been designed to advantage monopolists with unlimited resources to navigate the labyrinth of our anti-monopoly laws.

Racial oppression thrives in this environment and the anti-monopoly movement must resist the urge to settle for small marginal victories that allow this oppression to continue. Breaking up Amazon or Facebook will be a hollow victory if they are able

to reform years later and continue to harm Black and brown workers, consumers, and small businesses. The path forward should be to join grassroots leaders of color to create new, bold and transformative solutions (e.g., new agencies and new authorities) that will ensure that federal and state governments advance the economic well-being of people of color and not that of the monopolists that oppresses them.

## **Tell a New Visionary Story About the Role of Corporations**

We need a story that is visionary and that repositions corporations as beholden to serving the public interest, re-examining the purpose of corporations and developing mechanisms that evaluate, even redefine, that purpose. Currently, companies' driving purpose is to create wealth for their shareholders, and this ideology is to the detriment of people of color. We must integrate solutions that challenge our current approach to corporate governance, incorporation, and tax policy that reinforce economic systems of oppression that allow monopolies exploit to harm people of color.

# Conclusion

Imagine a world where the unemployment rate for people of color is zero. The unhoused rate for people of color is zero. A world in which 100 percent of people of color have quality health care, a livable wage, and a quality education. We at Liberation in a Generation believe that this is possible if we strive to create a Liberation Economy where all people of color have their basic needs met, are safe and secure, are valued, and fully belong, including people of color who are immigrants, formerly incarcerated, LGBTQ+, and have a disability. In order to get to this Liberation Economy, we must dismantle the Oppression Economy that monopoly power has colluded with the government to maintain. There are signs that we are moving in the right direction; we need to deepen the urgency and refine the strategy to advance these opportunities.

The Oppression Economy, which includes financial markets, labor markets, and interstate and international trading companies, was arranged to serve an economy elevated by the theft of labor from Black people. Today, Black people and other people of color are still delivering uncompensated value to monopoly power as minimum wage essential workers, as consumers without choice, as small businesses beholden to tight supply chains, as students trying to pay for a college education, and as residents of modern-day company towns.

Despite the disproportionate and anticompetitive influence these monopolies have on the consumer and labor market, they are, structurally, corporations. They have CEOs who manage the day-to-day of the company. They have boards of directors responsible for maintaining corporate governance. They have shareholders that they are accountable for serving. Finally, they are subject to corporate and tax laws and regulations internationally and in the US.

One of the highpoints of 2020 came in December when the FTC joined 48 states and territories to bring a lawsuit against Google for violating the United State's anti-monopoly laws. This suit has the potential to be the most significant action taken by the federal government since the 1998 suit against Microsoft. Further, earlier in 2020, the House of Representatives Judiciary Subcommittee issued a report urging action by

Congress and the administration to reign in the monopoly power of Big Tech. Major democratic presidential candidates, including now-President Biden, prioritized curbing corporate monopoly power as major planks in their presidential campaigns. There appears to be momentum on the side of bold government intervention, and grassroots leaders of color can capitalize on that momentum.

Thankfully, momentum also appears to be on the side of advancing racial justice. The tragic murders of Breonna Taylor, George Floyd, and Elijah McClain—and far too many before them and since—have once again thrust the issue of systemic racism into the public consciousness. We will see if this amplified awareness materializes into sustained progress, but this is clearly a moment to advance ideas that would have previously been dismissed by mainstream institutions—such as activist calls to defund the police. It is incumbent upon us in the racial justice movement to ensure that these tragic deaths vault our fight for justice to the next stage of evolution, and that they inform our approach to curbing the corporate monopoly power that is a contributing factor to our collective pain.

The time is now. It's time to accelerate grassroots efforts to rein in monopoly power. It's time to accomplish this by advancing bold transformative policy interventions that rip the power to pilot our economy from corporate monopolies. It's time to ground our understanding of how monopoly works against the principles of racial and economic justice. Finally, it's time to follow grassroots leaders of color in accomplishing this goal—and in delivering liberation for us all.