TO: Interested parties

FROM: Fight Corporate Monopolies

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FIGHT CORPORATE MONOPOLIES

How to Talk About Corporate Power on the Campaign Trail

Corporate monopolies are poisoning American politics. The majority of voters across demographics and ideological lines agree — with 86% of them believing that corporate influence has become a serious problem. Recent polling shows that Democrats make the biggest gains when they take on the corporate monopolies that are still raising prices despite making record profits.

Consolidation across industries has left a few dominant corporations in control of many markets. These corporate monopolies use their power to keep wages low, influence politics, squeeze out small businesses, and raise prices without consequence. They are a key reason that working people suffer, and electeds can do something about it.

This memo contains message guidance for how you can talk to voters and constituents about issues that are top-of-mind: rising living costs, the economy, and how we can hold monopolistic corporations accountable. It is meant to aid in crafting a simple and compelling economic message for when you're at the doors, on the phones, and on the debate stage.

Message Guidance

Tell the broad story of unchecked corporate power:

- Corporate power in America has reached extreme levels.
- In almost every industry — from retail and tech, to banking and healthcare — a few enormous corporations dominate the entire market.
- These corporate monopolies use their power to raise prices, lower wages, offshore jobs, hurt smaller businesses, and influence elections.
- Trying to address inflation, wealth inequality, or why families are struggling without addressing corporate power is like trying to stop a boat from sinking without plugging up the hole.

- Yet for decades, policymakers in Washington have largely ignored this problem, allowing corporations to grow bigger and more powerful than ever. Now they're too big to fail and get bailed out by the government, even when they're causing harm.
- It doesn't have to be this way. For much of the 20th century, federal and state governments took steps to limit corporate power.
- By breaking up corporate monopolies, imposing commonsense regulations, and holding bad actors accountable, we can rein in corporate abuse.

Make your message local:

Out-of-control corporate power affects every community. Framing your messages around a local example — a closed hospital or factory, the loss of local retail jobs due to a new Amazon warehouse or Wal-Mart, or the loss of family farms — is an effective way to illustrate the harms caused by corporate power.

Tip: Describe the bad actors as "large/giant corporations" or "corporate monopolies" instead of "businesses".

Illustrate easy to understand harms of monopoly power:

Inflation: Corporate monopolies have been blaming inflation for raising prices, when in reality, they are price gouging and offsetting costs onto consumers. In doing so, they have amassed record profits while workers and families continue to struggle. They get away with it because there isn't enough competition to force lower prices.

Media: Facebook and Google's dominance has decimated newsrooms by siphoning advertising dollars. Between 2014-2020, newsroom employment dropped by 23%. Large media conglomerates have been acquiring smaller newsrooms only to lay off journalists and weaken the presence of local news in smaller cities and rural towns.

Agriculture: A monopoly on meatpacking by only four privately owned companies has harmed the livelihoods of American cattle ranchers. Not only are ranchers losing income, private companies have been jacking up the price of meat to make consumers pay much more.

Groceries: The expansion of dollar stores overlaps with a hollowing-out of local grocery stores nationwide, where local wealth is extracted to faraway investors and executives. Dollar stores also charge far higher per-unit prices for staple goods than even high-end traditional retailers despite having a lower-income customer base. Milk at a dollar store can cost more per gallon than at high-end chains like Whole Foods.

Hospitals: Private equity firms now play a large role in the hospital industry, which has led to many rural hospital closures, worse patient outcomes, and more expensive care. In Tennessee, for example, one in every eight hospital beds are owned by private equity firms or backed with private equity money and 16 rural hospitals have shut down since 2005. Mega-mergers have also consolidated the industry and concentration in hospitals is tied to higher prices for patients and worse quality of care after hospital acquisitions.

Healthcare/drugs: Pharmacy benefit managers or PBMs are corporate middlemen who use unfair negotiating tactics to siphon money from community pharmacies and erode patient care. They get kickbacks from drug companies in the form of rebates, which drive up the price of essential medicines like insulin. This problem is exacerbated by concentration in the retail pharmacy industry, as years of unchecked mergers and acquisitions have left CVS and Walgreens with 50-75% market share in the largest 14 markets. Pharmacists at these corporate chains report being placed under tremendous time pressure that leads them to make errors serving patients.

Retail: Walmart owns a fifth of grocery stores in the U.S., giving them tremendous control over our food system. Their dominance has allowed them to manipulate producers and squeeze out smaller local and regional businesses.

Economic development: Giants like Amazon take advantage of local governments to get subsidies and tax breaks with the promise of creating jobs. However, a study found that when an Amazon warehouse is built, the "county [hosting the facility] gains roughly 30 percent more warehousing and storage jobs but no new net jobs overall, as the jobs created in warehousing and storage are likely offset by job losses in other industries."

Airlines: The airline industry pointed to COVID, weather, and air traffic control to explain the increase in flight cancellations and delays over the summer. But as airlines have become more consolidated, they have been able to hide fraudulent activity, charge passengers for flights they know they can't operate, and jack up prices (which are up by nearly 50% from pre-pandemic levels).

Discuss real solutions:

Monopolies are extremely powerful but their power can be checked (and has been in the past!) While there is no silver bullet solution, there are several popular legislative measures that would rein in the power of corporate monopolies:

Reform and enforce antitrust laws:

- Properly fund antitrust agencies so that the government can hold corporations accountable when they break the law
- Start enforcing antitrust laws, which are designed to prevent monopolies from abusing their power

Protect workers

- Strengthen laws against wage fixing
- Stop employers from forcing workers to sign non-competes and NDAs
- Mandate products be made in America

Protect consumers:

- Outlaw price gouging
- Ban rip-off "junk fees"

Protect small businesses:

- Ban megamergers
- Ban giving big businesses tax breaks that disadvantage local competitors

If you would like a deeper dive, or information about additional message frames and industries, get in touch at: info@fightcorporatemonopolies.org