



# ANTI-MONOPOLY

AND HOW IT CAN UNITE US | Sally Hubbard

# America isn't alright.

## Our economy is only working for a select few.

Even before the coronavirus pandemic wreaked its devastation, most Americans could see that our country—the Land of Opportunity—wasn't how it was supposed to be. But COVID-19 spelled it out for us in neon lights.

When the world as we knew it came crashing down, some of the lowest-paid Americans were revealed to be our most essential workers, risking deadly exposure to keep their jobs while supporting everyone else. Communities of color were among the hardest hit by the virus, laying bare the compounding effects of systemic racism. As of this writing, small businesses are fighting to survive, and unemployed Americans face hunger and homelessness, while some of the wealthiest profiteer.

The clear coronavirus victors are monopolies, and we now depend on them even more. But in a winner-take-all economy, their strength has come at the expense of all others, leaving the rest of us to battle the pandemic from a point of weakness. Monopolies will make it out of the crisis just fine, but will we?



Decades of rampant health-care mergers made us sitting ducks for COVID-19, with only a few big companies left to produce critical supplies. Masks, ventilators, gowns, reagents—we couldn't get enough because so few suppliers remain, and they have stopped making things in America. Ever since the 1980s, politicians, antitrust law enforcers, and judges have bought into the myth that bigger is better, which has allowed monopolies to take over with barely any resistance. They sacrificed our resiliency and made America fragile.

The policy choices our government has made amid the COVID-19 crisis will shape power and wealth for years to come, and the most dominant companies have used their political influence to grow even more so. Most of us just have wanted our lives to go back to normal.

But normal isn't good enough.

**Monopolies will make it out of the crisis just fine, but will we?**

In normal times, if you're like many Americans, no matter how hard you work, you feel like you can't get ahead. You race through your days, but you can't possibly get everything done. You keep trying because you don't know what would happen if you eased up. Maybe you're burnt out, but you don't see a path out of the grind. Nothing feels certain or stable.

Overcoming your daily struggles is up to you—or so you're told. You just need to get better at "self-care" and setting boundaries at work. And if only you meditated every morning, decluttered your home, and stopped eating gluten, you'd have the energy and presence of mind to manage an avalanche of stressors headed your way.

But perhaps you have a nagging sense that your everyday problems go beyond you.

You're living in the New Gilded Age after all, a time of excess wealth reminiscent of the late 1800s, when industrialist tycoons accumulated riches off of workers' backs. Inequality today is stark, like in San Francisco, where 75 billionaires coexist with thousands of homeless people. The American government has failed to ensure its citizens have access to the basics of humanity, from affordable health care to a habitable planet to safe food and water. You may ask yourself: why do taxes keep going up—for everyone except the ultrarich—when government doesn't do the bare minimum its job requires?

People all across America feel the ground is constantly shifting underneath them. Inequality and hopelessness are making some people so angry they have to find others to blame, like immigrants, people of color, LGBTQ+ individuals, and/or women. But those with historically less power in our society are not the source of America's problems.

Beneath all of this pain lies a hidden culprit: pure, unbridled monopoly power. No matter your race, gender, age, sexual orientation or identity, religion, class, or political party, we're all getting screwed on a systemic level by the same menace of monopoly. The most vulnerable among us get hit the hardest.

Monopolies pervade our everyday lives in ways we don't realize. When your expenses keep going up but your income does not, when you're price-gouged buying an EpiPen for your child's life-threatening allergy, when you struggle to parent a child who is addicted to social media, and when you can't find common ground with millions of your fellow Americans, monopoly power is playing a key, destructive role. But you can help stop it.

Monopolists of the past who controlled entire industries like railroads and oil were aptly called robber barons because they built their business models on exploitation. Today's global monopolies are no different. They're robbing us of money by charging high prices, skirting taxes, and reducing our pay and economic opportunities.

This theft is only the beginning. They're also robbing us of innovation, choice, the ability to take care of our sick, a healthy food supply, a habitable planet, our privacy, fair elections, a robust press, and, ultimately, the American dream.

While Amazon promises low prices, and Facebook and Google offer services for "free," in truth, tech giants' prices are exorbitant, but you have no way of knowing how much you are paying.

But America's monopoly crisis is not just about Big Tech. It's big health care, big agriculture, Big Pharma, big... pick an industry, any industry. Big everything. Our economy is ruled by behemoths because, decades ago, our government chose to dismantle anti-monopoly laws and policies.

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We blame the economy for our financial struggles, but the economy—apart from the COVID-19 catastrophe—has been doing just fine. The problem is that the ultrarich are hoarding its spoils. What changed from the 1980s to today that made the economy stop working for the middle class? A big piece of that puzzle is monopoly. When Boomers were raising their families, few industries were highly concentrated in the hands of giant companies. Now, few are not. This concentration of power allows corporations to adopt business models that are extractive rather than generative, or more simply, they're focused on taking rather than making.

If we don't act immediately, corporate giants will control more and more of our lives, and their economic power will buy ever-increasing political power as they spend their monopoly money on lobbying. It's now, or possibly never, as our democracy continues to slip away before our eyes. The will of the people is losing out to the will of the monopolists.

Defeating monopoly is not a silver bullet that will automatically solve every one of our problems, but we won't be able to cure America's ills if we don't first weaken corporate giants' power. Like constructing a house on a faulty foundation, building a better world upon the flawed structure of monopoly is doomed from the outset. If we don't fix the systemic problem of concentrated power, our efforts to gain control of our lives will be like trying to empty an ocean with a slotted spoon.

The first step to loosen monopolies' grip on our lives is to become informed citizens. Active citizenship is even more important than trying to change your consumer habits—your power as a citizen is greater than your power as a consumer.

The onus isn't on the consumer to stop using monopolies when monopolies have become essential infrastructure for our economy; often, you simply have little or no choice but to depend on a monopolist. The onus is on the government to make companies obey the law, to protect consumers from their harms, and to promote an open and competitive marketplace. Pressuring government to do its job is the best way we can make a difference. In that sense, the onus is on us, as citizens, to fight for shared prosperity and power. America has always been "about what can be achieved by us, together, through the hard and slow, and sometimes frustrating, but ultimately enduring work of self-government," said former U.S. president Barack Obama in his 2016 Democratic National Convention speech. And as abolitionist leader Frederick Douglass famously said in 1857: "Power concedes nothing without a demand. It never did and it never will." The Black Lives Matter movement shows this still holds true today.

We must demand our government work for the people instead of big corporations. You need to know about monopoly rule because that's how we fight back—learning about it, getting pissed off about it, and not being willing to take it anymore. With the world in upheaval and transition in the wake of COVID-19, this is the time to demand the change we need.

Now for the good news: we've already overcome this exact challenge in our nation's past. We have dismantled monopoly power before! We already have the tools, we just need to use them again. Just as we defeated the original robber barons of yore, we can weaken the power of today's monopolies and take back what they've stolen from us.

It was the outrage of citizens that took down the most notorious monopoly in American history, Standard Oil. Investigative journalist Ida Tarbell exposed the market power abuses and political corruption of the Standard Oil Company in a series of articles for McClure's Magazine, which were compiled into a 1904 book, *The History of the Standard Oil Company*. Tarbell sparked a citizen outcry that spurred the government to break up Standard Oil and pass important antitrust reforms.

Your awareness is critical for change to occur. In our battered democracy, where our elected officials are beholden to powerful monopolies and their lobbyists, we the people must still have the final say.

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## WHY I BECAME AN OCTOPUS HUNTER

I became a trust-buster, an anti-monopolist, or as Teddy Roosevelt was called, an octopus hunter, partly by accident and partly by fate.

I long aspired to fight for women's equity as a career, and somehow convinced myself that law school was the best way to do it. After trying unsuccessfully to get an unpaid internship at any women's advocacy organization, despite being at one of the best law schools in the nation, I decided to take a job at a big law firm upon graduation to pay down my student loan debt. I remember confessing to my grandpa Andy, who believed in enjoying life and doing what you love, that I was going to work at a big law firm even though I knew I would hate it, assuring him that I only planned to do the job for one year. He shook his head and grumbled disapprovingly, "It's gonna be a long damn year."

Like Google in its early days, I set out to not "be evil" in my new role. But on my first day, a partner assigned me research for the defense of a corporate executive in the Enron scandal, one of the biggest corporate accounting frauds in American history. I saved my pennies, sold my possessions, paid off as much of my student loan debt as I could, and quit after one year and one day.



I went to work at the D.C. Circuit Court of Appeals, where now-chief justice John Roberts was a judge. He was personable and pleasant, the kind of guy who's hard not to like. But I disagreed with most of his decisions. In one case, I was alarmed at what I considered a vote to violate a person's constitutional rights. In another, I was troubled by what, to me, was a vote for the outcome that aligned with Roberts's conservative political views instead of the outcome the law supported. So when Roberts was nominated to the U.S. Supreme Court, I didn't sleep a wink that night, worrying about how his lifetime appointment could impact equity and justice for decades to come. Little did I know that the court would skew so far to the right that Roberts would become viewed as a comparatively moderate swing vote.

After leaving the D.C. Circuit job, I struggled to find my place and was on the verge of giving up law entirely when I landed a job as an assistant attorney general in the Antitrust Bureau of the New York Attorney General's Office. Going into it I believed that I had long ago given up my dream of fighting for equity—but I couldn't have been more wrong. The moment I started fighting companies that were consolidating power, now fifteen years ago, I started fighting inequity. I simply expanded who I was fighting for. I was still fighting for women, but not only women—all Americans. The vast majority of us lose power, wealth, rights, and opportunities when dominant companies control our economy and influence our government. Women and people of color suffer some of the worst consequences.

I've come to realize that the inequality monopolies wreak also threatens democracy. In 1933, Edward Keating, a congressman and confidant of the late Supreme Court justice Louis Brandeis, penned an editorial called "Stop the Concentration of Wealth." He wrote: "Justice Brandeis declared some years ago that America, before long, must make a choice. We can have democracy, or we can have a horde of multi-millionaires. We cannot have both."

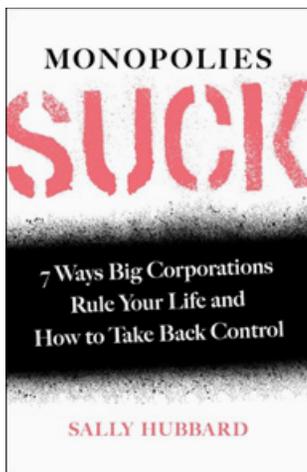
**Anti-monopoly is a cause that Americans can unite around because concentrated wealth and power hurts us all. 🇺🇸**

Excerpt from *Monopolis Suck* by Sally Hubbard.

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## ABOUT THE AUTHOR

Sally Hubbard is an antitrust expert and Director of Enforcement Strategy at the Open Markets Institute, an organization developing solutions to America's monopoly crisis. She served as an Assistant Attorney General in the New York AG Antitrust Bureau, and was an investigative journalist covering mergers, monopolies, and privacy. She has testified before the U.S. Senate, House of Representatives and Federal Trade Commission. She appears and is cited regularly as an antitrust expert in a wide range of media, including *The New York Times*, CNN, *BBC World News*, *Vanity Fair*, *Washington Post*, *The Atlantic*, *Wired*, and hosts the podcast *Women Killing It*. She lives in Brooklyn with her husband and two children.

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