

May 8, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles E. Schumer
Democratic Leader
U.S. Senate
Washington, DC 20510

Dear Speaker Pelosi and Leader Schumer:

We write in support of the Pandemic Anti-Monopoly Act, a proposal from Senator Elizabeth Warren and Congresswoman Alexandria Ocasio-Cortez to prevent big corporations and Wall Street investors from exploiting the pandemic to further consolidate their economic and political power.

We strongly encourage you to include the [Pandemic Anti-Monopoly Act](#) in the next COVID-19 relief package.

When Congress passed the CARES Act on March 29th, it authorized the Federal Reserve and the Treasury Department to extend \$4 trillion of credit to big corporations and Wall Street. That's equivalent to a [\\$13,000 loan](#) to every single person in America. Amid a growing economic crisis in which [26 million people](#) have filed for unemployment insurance, the Federal Reserve and Treasury programs constitute the largest financial response to the coronavirus crisis and they represent a massive, enduring transfer of power to billionaires and big corporations.

Yet for the most part, large corporations and financiers with access to this credit still have free rein not only to fire workers, enrich their CEOs or buy back their own stock, but also to merge or buy up their smaller competitors. Without safeguards like Senator Warren's and Congresswoman Ocasio-Cortez's Pandemic Anti-Monopoly Act, the problem of monopolies and corporate power will become even more dire.

Over the past 20 years, [more than 75%](#) of industries have become more concentrated—on average, 90% more. Indeed, across a wide range of markets—not just tech, banks, media, health care, and airlines, but everything from eyeglasses to baby formula and mattresses to meat processing—a few corporations dominate sector after sector of our economy. [Study after study point to](#) the deleterious [effects](#) of this monopoly power on our society and democracy.

The average U.S. family is [\\$5,000 poorer](#) due to corporate concentration. Monopolies pay workers less: research shows the median annual compensation – now only [\\$33,000](#) – would be [more than \\$10,000 higher](#) if employers were less concentrated. They also charge consumers more. Mergers between companies result in a [7 percent](#) price increase, while markups—how much companies charge for products beyond their production costs—have [tripled](#) since 1980.

And as corporate monopolies extract more and more wealth and power from working people, [economic inequality grows](#).

Unless we take action, abusive monopolies will use the public money provided by the Treasury Department and the Federal Reserve to gain even more power by funding the rampant roll-up of struggling small and medium businesses. Passing the Pandemic Anti-Monopoly Act and banning large corporate and Wall Street efforts to merge with or acquire distressed small businesses is essential if we are to protect workers, consumers, and our communities from further corporate control.

The economic crisis caused the coronavirus pandemic should not be an opportunity for dominant corporations and predatory finance to unleash an acquisition free-for-all. How we respond now will determine whether it becomes one.

If we are to help small businesses and the communities they support survive this pandemic, we must keep our monopoly problem from getting even worse. To do that, we urge you to include the Pandemic Anti-Monopoly Act in the next COVID-19 relief package.

Sincerely,

350.org

Action Center on Race and the Economy

American Economic Liberties Project

Americans for Financial Reform

Artist Rights Alliance

Be A Hero

Center for Digital Democracy

The Center for Popular Democracy

Color of Change

Demand Progress

Family Farm Action

Food & Water Action

Friends of the Earth

Future of Music Coalition

Greenpeace US

Income Movement

Justice Democrats

MoveOn

National Family Farm Coalition

Northwest Atlantic Marine Alliance

OCA-Asian Pacific American Advocates

People's Action

Presente.org

Progressive Democrats of America

Public Citizen

Sunrise Movement

Tax March