

## **Beyond Trump and the Immigration Stalemate:**

How Big Media Corporations Limit Latino News Access and Support Anti-Immigrant Politicians who Misinform their Constituents

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"When Mexico sends its people, they're not sending their best. They're sending people that have lots of problems. They're bringing drugs. They're bringing crime. They're rapists, and some, I assume, are good people."

Donald Trump Republican Presidential Candidate Multi-year Comcast media contracts

"They are bringing criminals and slave labor into the country, they're bringing drugs ..."

Orrin Hatch Republican Senator (UTAH) Received political contributions from Comcast between 2009-2014

"You get the pick of the litter and you got yourself a pretty good bird dog. Well, we've got the pick of every donor civilization on the planet."

"...and they understand what happens in a civilization if you reward people for breaking the law, you'll get more law breakers"

"They weigh 130 pounds and they've got calves the size of cantaloupes because they're hauling 75 pounds of marijuana across the desert."

Steve King Republican Congressman (IOWA) Received political contributions from Comcast between 2012-2014

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#### I. Introduction

The massive Latino outrage against Donald Trump's anti-immigrant rhetoric and the subsequent severing of business relations by large media corporations, first by Univision and then followed by NBC/Comcast, represents a historic milestone in the national manifestation of the surging potential of Latino economic and political power. The loud break-up between Trump and some large media corporations with newfound righteous indignation is only the visible tip of a much more involved and long-standing relationship between media/tech corporate business strategies, the financial support of anti-immigrant politicians and the misconceptions of immigrants which these politicians deliberately propagate with their base.

An analysis of this ongoing corporate support for the electoral campaigns of sitting antiimmigrant politicians, as well as other corporate media and tech business strategies that limit Latino owned media expansion and general access to affirmatively accurate information on immigrants, goes a long way to explain the dynamics of misinformation, political posturing and electoral power calculus that feeds the stalemate in immigration reform. This analysis also identifies rich opportunities for Latino and pro-immigrant mobilization strategies for unraveling this toxic stalemate blocking immigration reform which would be strongly positive for the U.S. economy and social structures.

The United States is lodged in an immigration policy reform quagmire. Capitol Hill's now-typical hyper-partisanship does not itself explain the particular contradictions driving Congress' inability to repair our unanimously decried "broken" immigration system. Immigration reform has consistently shown to generate significant economic growth, create new jobs and increase net-tax revenue both nationally and locally. The policy status quo is an enforcement-based strategy that has been proven both costly and ineffective, with spiraling fiscal costs and mounting human suffering. Meanwhile, popular support for legalizing undocumented immigrants has grown stronger, not only among Democrats and Latinos, but also among Republican majorities supporting reform and even a path to citizenship. Why then has reforming this system garnered so little legislative momentum over the past two decades?

Uncovering the answer lies in mapping the geographic and ideological polarization of the American political landscape and tracing the oft referred to but rarely documented intersection of corporate money and political power. Ironically, the policy makers most opposed to immigration reform represent the states and congressional districts in which the fewest immigrants live but where immigrant fear and misinformation is highest. The result is that anti-immigrant politicians fervently support positions that damage the economic welfare of the nation (and their districts), in order to pander to the basest misconceptions of some of their constituency. While these members of Congress may not be held accountable at the ballot box for their anti-immigrant rhetoric and voting records, the corporate donors responsible for their electoral war chests, however, are less protected.

As would be expected, the politicians blocking comprehensive immigration reform and legalization receive funding from many firms with a vested interest in the current enforcement strategy and militarized border; namely defense contractors and the private prison detention industry. Yet in what may appear to be a blatant contradiction, they also receive funding from the

media and telecommunications firms from which most people receive their news and information. These media companies' profitability increasingly hinges on the rapid growth and disproportionate size of Latino consumption. In recognition of this fact, these firms go to great lengths to demonstrate their commitment to Hispanics and the causes they care about. These firms are simultaneously donating millions of dollars each year to members of Congress who support policies that tear families apart and marginalize large swaths of Latino communities. Anti-immigrant policy makers may not be accountable to Latino voters, but they are accountable to the companies that support them, and those companies are accountable to the customers they depend on. This is especially true of the media and telecommunication firms who are increasingly reliant on their Latino customer base. The recent backlash against Donald Trump's anti-immigrant tirade demonstrated the ascendance of the Latino community's political influence and economic clout, particularly with respect to the media industry.<sup>1</sup>

The telecommunication and technology firms must also be held accountable for the ways in which they control the flow of information and the implications of such decisions. These firms—and especially multichannel video programming distributors (MVPDs) like Time Warner Cable, Comcast, and DISH Network—are gatekeepers of information and the business decisions they make can have a significant impact on Latinos access to information and the issues that pertain to them. These companies also maintain a number of corporate practices that contribute to the prevalence of misinformation about Latinos, as well as immigrants in general.

This report will first describe why comprehensive immigration reform with legalization and a path to citizenship makes economic sense, and then shows the staggering costs of the current broken system.

- Public opinion surveys have consistently shown that over seventy percent of respondents believe that undocumented immigrants should be provided with a path to legalization, including a majority of Republicans.
- Comprehensive Immigration Reform (CIR) which provides a path to citizenship to all current immigrants would generate a short term labor income increase of up to \$93 billion, create up to 2.1 million jobs and generate up to \$34 billion in new tax revenue.
- Over a ten-year period CIR with a path to citizenship for all undocumented immigrants would generate up to \$1.5 trillion in GDP growth, while providing temporary work permits to all undocumented immigrants would generate \$792 billion in GDP growth. Mass deportation of all undocumented immigrants would cause GDP to shrink by more than \$2.6 trillion.
- The number of Border Patrol Agents stationed along the southwestern border grew by 500% between 1992 and 2011, and has more than doubled since 9/11.
- Between 1992 and 2011 ICE and CBP expenditures grew by roughly 400%.

<sup>&</sup>lt;sup>1</sup> "Unauthorized Immigrant Population Profiles." Migrationpolicy.org. Migration Policy Institute, 15 Jan. 2015. Web. 12 July 2015. <a href="http://www.businessinsider.com/r-the-trump-backlash-latino-consumers-wield-new-clout-2015-7">http://www.businessinsider.com/r-the-trump-backlash-latino-consumers-wield-new-clout-2015-7</a>

In addition we, will show why, despite the popular support for and potential benefits of reform, as well as the soaring costs of the current system, there remains such entrenched political opposition.

- The fewer Latinos who live in a congressional district, the more likely it is that that district's voters will elect a representative who is opposed to legalizing unauthorized immigrants.
- The grand irony is that even in the congressional districts whose representatives are opposed to the legalization of unauthorized immigrants; legalization would generate positive and significant economic impacts.
- However, the Tea Party voters are vocal and politically active in their opposition to legalization, and so in districts in which there are few Latinos to act as an equally engaged counter-balance, the views of right-wing activists drive the representatives actions on immigration.
- In some GOP or contested districts with large Latino populations (in Texas, Colorado and Utah and California), expanding access to Latino media companies has been limited by much larger media corporations, silencing positive voices of immigrants in those markets and further empowering the status quo.

We will then explore the links between the leading voices opposed to progressive immigration reform and the media and other companies that support them. In exploring these linkages we found:

- Latino patronage is critical to the continuing viability of large telecommunication and technology firms. Latinos generally watch more television, play more video games, and watch more videos on their smart phones and on the Internet than does the average American. Latinos are also a young demographic and their buying power is growing rapidly. In addition, 21 of the top 25 media markets have populations that are "minority-majority," that is less than 50% non-Hispanic white.
- In recognition of these facts, the nation's top two television service providers, Comcast and Time Warner Cable respectively, have very publicly claimed that they support the Latino community. The companies donate to Latino advocacy organization and their executives sit on the boards of some of the most influential of these organizations.
- Telecommunications firms also make large contributions to policy makers who oppose the interests of the vast majority of Latinos. In 2014, Television service providers (Comcast, AT&T, Verizon, Cox, Time Warner, and DISH Network) contributed more than \$7.8 million to the Republican Party and its candidates.
- Leading technology firms also make large contributions to these policy makers. Google, Intel, and Microsoft contributed \$2.1 million to the Republican Party and its candidates in 2014.
- In this context, Comcast particularly stands out as not only the largest U.S. media company but also the largest corporate political and lobbing operation.<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> http://www.wsj.com/articles/comcastslobbyingmachinefacestestinwashington1421983983

- Comcast contributes far more to these anti-immigrant politicians than does their leading competitor—Time Warner Cable. Comcast's contributions to the 34 most anti-immigrant senators are four times greater than Time Warner's.
- Compared to Time Warner, a greater share of Comcast's political contributions go to the Republican Party and its candidates. Nearly 47% of Comcast's contributions go to GOP candidates and the party, while Time Warner contributes just over 18%.
- Comcast's MVPD business practices have been repeated criticized for violating the localism conditions imposed by the FCC as part of the NBCU merger, providing less local Spanish-language news than they had promised to deliver, and protecting subsidiary networks from competition by imposing unreasonable conditions during carriage negotiations with independent broadcasters. This has further limited viewers' access to Spanish-Language news and Latino voices on public affairs.

#### **Conclusion/Recommendations:**

- a. Latino leaders should use their social media and political clout to demand that Latino advocacy groups not support companies that donate to the electoral campaigns of anti-immigrant politicians.
- b. Latino and immigrant rights leaders should act on their belief that the companies they support with their business should support the causes Latinos deem important. Strategic boycotts should be launched on leading companies that donate to staunchly anti-immigrant politicians.
- c. Latino and immigrant rights leaders should demand that large media companies not use their market and corporate power to limit access of multiple Spanish language and minority owned media companies which can impede the flow of information to Latino community, provide Latino's with subpar media products, and silence media exposure to Latino issues. Such practices stymie the momentum for immigration reform and strengthen opponents.
- d. Latino and immigrant rights leaders should demand that corporate media and tech business strategies change to promote Latino owned media expansion, embracing positive voices of the Latino community and in general provide access to affirmatively accurate information on immigrants.

#### II. <u>Immigration Reform: Benefits, Costs, and the Political Stalemate</u>

#### 2.1 The Positive Economic Impacts of Immigration Reform

The United States is a nation built by immigrants. Their labor, culture and determination have provided this country with its identity and prosperity. Today, unauthorized immigrants continue that legacy, without receiving many of the benefits afforded to their predecessors. The unauthorized population is an important part of the US labor market and their presence is the result of the demand for their labor. However, our broken immigration system marginalizes these immigrants and prevents them from being paid a wage that is commensurate with the value of their labor. For many their legal status prevents them from fully engaging in American life. This harms not only unauthorized immigrants and their families, it also harms the US economy as a whole. A comprehensive immigrants and their families, it also harms the US economy as a whole. A comprehensive immigrant reform bill that legalized unauthorized immigrants would generate significant overall economic growth, especially if the bill included a path to citizenship. This growth would stem from the positive impact reform would have on unauthorized immigrants' wages, especially since these immigrants have a high rate of labor force participation coupled with concentrated employment in low-wage sectors of the economy.

Table 1

**Undocumented Population in the US** 

| Total population                      | 11,022,000 |
|---------------------------------------|------------|
| Civilian population ages 16 and older | 10,159,000 |
| In labor force                        | 7,264,000  |
| Employed                              | 6,483,000  |

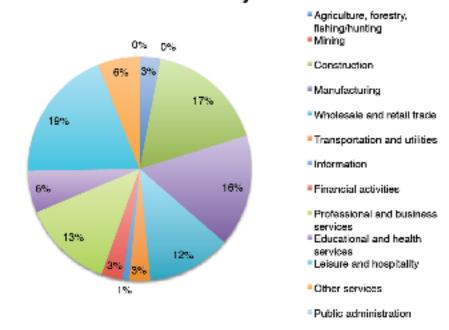
Source: MPI Data Hub

Legalization of the unauthorized immigrant population would spur a dramatic increase in the US's GDP in part because the unauthorized population is large and the labor force participation rate is high. There are more than 11 million undocumented immigrants in the US, of which more than 92% are civilians of working age. The labor force participation rate for these unauthorized immigrants is 71.5%—in other words more than 7,200,000 of these working age civilians are employed or are looking for work (see table 1).<sup>3</sup> As a point of comparison, the labor force participation rate for the US as a whole was only 62.7%.<sup>4</sup> Because unauthorized immigrants' labor participation rate is so relatively high, the economic impact of adjusting their legal status would be greater than if they had the same rate of participation as the rest of the US population.

<sup>3</sup> "Unauthorized Immigrant Population Profiles." Migrationpolicy.org. Migration Policy Institute, 15 Jan. 2015. Web. 12 July 2015. <a href="http://www.migrationpolicy.org/programs/us-immigration-policy-program-data-hub/unauthorized-immigrant-population-profiles">http://www.migrationpolicy.org/programs/us-immigration-policy-program-data-hub/unauthorized-immigrant-population-profiles</a>.

<sup>&</sup>lt;sup>4</sup> "U.S. Labor Participation Rates" *Bureau Of Labor Statistics Data Hub*. United States Department of Labor, Bureau of Labor Statistics. n.d. Web. 13 July 2015.

Figure 1
Undocumented Workers by Sector



Karina Fortuny, Randy Capps, and Jeffrey S. Passel, The Characteristics of Unauthorized Immigrants in California, Los Angeles County, and the United States (Washington, DC: The Urban Institute, March 2007).

Unauthorized immigrants are concentrated in low wage sectors of the economy. A prerecession survey of unauthorized employment found that 64% of undocumented but employed
immigrants are working in the construction, manufacturing, wholesale and retail trade, or leisure
and hospitality sectors (see Figure 1).<sup>5</sup> These are sectors dominated by low-wage employment
and it is reasonable to assume that since the 2008 recession even more undocumented
immigrants have moved into these sectors. Legalization would allow undocumented immigrants
to move into higher-paying positions within these sectors, or into new sectors in which wages are
higher over-all. Many unauthorized immigrants currently have the skills to work in higher paying
positions but are prevented due to their legal status. Others are working at below market wages,
or have some of their pay withheld because employers recognize that these workers' immigration
status discourages them from seeking legal recourse. Legalization would allow formerly
unauthorized workers to either find employment that is commiserate with their skills or to pursue
a fair wage for the work they already do.

<sup>&</sup>lt;sup>5</sup> Fortuny, Karina, Randy Capps, and Jeffrey S. Passel. "The Characteristics of Unauthorized Immigrants in California, Los Angeles County and the United States" (Washington, DC: The Urban Institute, March 2007).

Table 2

#### **Economic Contributions of the Undocumented**

| All Undocumented                |           |  |
|---------------------------------|-----------|--|
| Value Added (Millions)          | \$555,507 |  |
| Taxes Paid (Millions)           | \$100,901 |  |
| Labor Income (Millions)         | \$321,103 |  |
| DAPA and DACA Combined          |           |  |
| Potentially Eligible Population | 5,201,000 |  |
| Value Added (Millions)          | \$274,821 |  |
| Taxes Paid (Millions)           | \$49,918  |  |
| Labor Income (Millions)         | \$158,857 |  |
|                                 |           |  |

Source: NAID Center White House Reports

Despite being concentrated in low-wage sectors, and often being underpaid or having their wages withheld, unauthorized immigrants make significant contributions to the US economy. In an earlier series of studies conducted by the UCLA North American Integration and Development (NAID) Center, we estimated that unauthorized immigrants contribute more than \$555.5 billion to the US's GDP, pay more than \$100.9 billion in taxes and earn more than \$321.1 billion in labor income each year (see Table 2).

Many of these immigrants are currently eligible for President Obama's Deferred Action for Childhood Arrivals (DACA) or would be eligible for his Deferred Action for Parents of Americans and Lawful Permanent Residents (DAPA). These executive actions provide temporary work authorization and protection from deportation, which has and will continue to have a positive impact on the US economy. Currently those eligible for one of the two programs contribute more then \$274.8 billion to the US GDP, pay just less than \$50 billion in taxes and earn more than \$158.8 billion in labor income (see Table 2).

<sup>6</sup> Hinojosa, Raul with Maksim Wynn. "The Economic Benefits of Expanding the Dream" Series. (Los Angeles, CA: UCLA North American Integration and Development Center)

Table 3

**Economic Impact of DACA and DAPA** 

| Labor Income Increase (Millions \$) | \$18,219 |
|-------------------------------------|----------|
| Total New Tax Revenue (Millions \$) | \$12,497 |
| Personal Taxes                      | \$2,970  |
| Business Taxes                      | \$5,313  |
| Sales Taxes                         | \$4,214  |
| Total Employment Growth (Thousands) | 428      |
| Direct Employment Gain              | 236      |
| Indirect Employment Gain            | 87       |
| Induced Employment Gain             | 105      |

Source: NAID Center White House Reports

DACA and DAPA provide unauthorized immigrants with significantly less legal and economic protection than would comprehensive immigration reform, and these protections are extended to fewer immigrants, but nevertheless DACA has had and DAPA would have a significant and positive impact on the US economy (see Table 3). At full enrollment DACA and DAPA combined would lead to an \$18.2 billion increase in unauthorized immigrants' annual wages. This wage increase would generate more than \$12 billion in new personal, business, and sales tax revenue. Moreover, this increase in wages would directly generate almost 236,000 new jobs. The resulting increase in indirect employment—which is a change in employment in one industry being caused by a change in another, as a result of interaction between the two—would account for more than 87,000 new jobs. Induced employment, which is a change in employment based on changes in household spending, would increase by more than 105,000 jobs. In all the increase in labor income would generate more 428,000 new jobs.

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<sup>&</sup>lt;sup>7</sup> For more detailed information on the methodology used to calculate economic impacts see: Hinojosa, Raul with Maksim Wynn. "From the Shadows to the Mainstream: Estimating the Economic Impact of Presidential Administrative Action and Comprehensive Immigration Reform" (Los Angeles, CA: UCLA North American Integration and Development Center). November 2014. For more detailed impacts see the above report and our series of reports on the states that have been

For more detailed impacts see the above report and our series of reports on the states that have been most impacted by DACA and DAPA:

Hinojosa, Raul with Maksim Wynn. "The Economic Benefits of Expanding the Dream" Series (Los Angeles, CA: UCLA North American Integration and Development Center) February -April 2015.

8 Hinojosa, Raul with Maksim Wynn. "The Economic Benefits of Expanding the Dream" Series (Los Angeles, CA: UCLA North American Integration and Development Center) February -April 2015.

Table 4

**Economic Impact of Legalization** 

| Labor Income Increase (Millions \$) | \$63,197  |
|-------------------------------------|-----------|
| Total New Tax Revenue (Millions \$) | \$23,206  |
| Personal Taxes                      | \$9,866   |
| Business Taxes                      | \$5,515   |
| Sales Taxes                         | \$7,824   |
| Total Employment Growth (Thousands) | 1,483,136 |
| Direct Employment Gain              | 819,010   |
| Indirect Employment Gain            | 300,382   |
| Induced Employment Gain             | 363,744   |

Source: NAID Center Admin Action Paper

The positive economic impacts of a comprehensive immigration reform bill that provide unauthorized immigrants with legal status would be significantly greater than those provided by administrative action (see Table 4). Formerly unauthorized immigrants would experience a \$63 billion increase in their annual wages. This wage growth would generate more than \$23 billion in new personal, business, and sales tax revenue. In addition, this increase in wages would create more than 1.4 million new jobs through direct, indirect and induced employment growth.<sup>9</sup>

Table 5

| <b>Economic</b> | Impact | of | Citizenship  |
|-----------------|--------|----|--------------|
|                 | mpaot  | 01 | Ontizenionip |

| Economic impact of Citizenship      |           |  |
|-------------------------------------|-----------|--|
| Labor Income Increase (Millions \$) | \$93,216  |  |
| Total New Tax Revenue (Millions \$) | \$34,230  |  |
| Personal Taxes                      | \$14,553  |  |
| Business Taxes                      | \$8,136   |  |
| Sales Taxes                         | \$11,541  |  |
| Total Employment Growth (Thousands) | 2,187,625 |  |
| Direct Employment Gain              | 1,208,040 |  |
| Indirect Employment Gain            | 443,063   |  |
| Induced Employment Gain             | 536,522   |  |
|                                     |           |  |

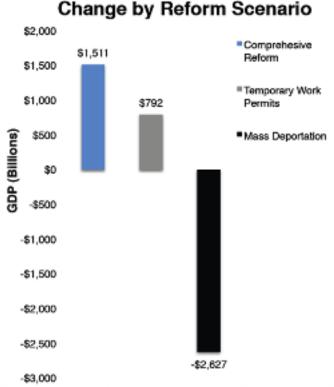
Source: NAID Center Admin Action Paper

<sup>&</sup>lt;sup>9</sup> Hinojosa, Raul with Maksim Wynn. "From the Shadows to the Mainstream: Estimating the Economic Impact of Presidential Administrative Action and Comprehensive Immigration Reform" (Los Angeles, CA: UCLA North American Integration and Development Center). November 2014.

A comprehensive immigration reform bill that includes a path to citizenship would have the most positive economic impacts of any of the immigration reform scenarios presented here. If all formerly unauthorized immigrants were to become naturalized citizens they would earn more an extra \$93.2 billion in annual wages. The wage growth would generate more than \$34 billion in new personal, business, and sales tax revenue. The increase in wages would create more than 2.1 million new jobs through direct, indirect and induced employment growth. <sup>10</sup>

Figure 2

Cumulative Ten Year GDP



The methodology used for this analysis and the findings are described in: Raul Hinojosa, Raising the Floor for American Workers: The Economic Benefits of Comprehensive Immigration Reform (Center for American Progress and Immigration Policy Center, January 2010).

AND Raul Hinojosa, The Economic Benefits of Comprehensive Immigration Reform (CATO Institute, Winter 2012).

<sup>&</sup>lt;sup>10</sup> Hinojosa, Raul with Maksim Wynn. "From the Shadows to the Mainstream: Estimating the Economic Impact of Presidential Administrative Action and Comprehensive Immigration Reform" (Los Angeles, CA: UCLA North American Integration and Development Center). November 2014.

In terms of overall economic growth, earlier analyses by the NAID Center have clearly illustrated the advantages of full legalization over a temporary worker program, and the disastrous impact of mass deportation. CIR with full legalization would generate GDP growth of \$1.5 trillion over ten years while a bill that extends temporary work authorization to all undocumented immigrants would generate only \$792 billion over the same time period (see figure 2). These findings a closely aligned with those of a Congressional Budget Office report from 2013. On the other hand, mass deportation would cause the economy to contract by \$2.6 trillion (see figure 2). This would cripple the US economy and set off a deep and lasting depression.

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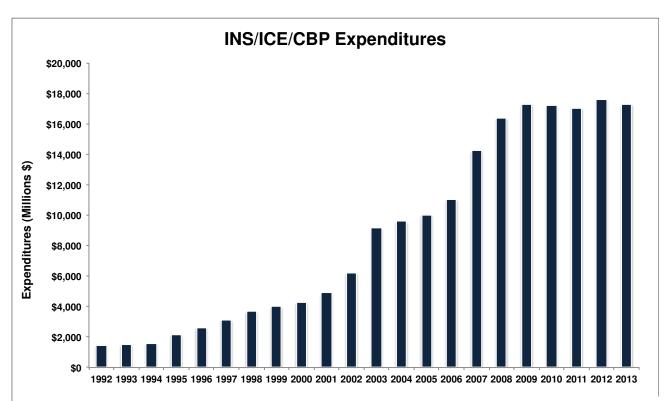
<sup>&</sup>lt;sup>11</sup> Hinojosa, Raul with Maksim Wynn. "From the Shadows to the Mainstream: Estimating the Economic Impact of Presidential Administrative Action and Comprehensive Immigration Reform" (Los Angeles, CA: UCLA North American Integration and Development Center). November 2014.

<sup>&</sup>lt;sup>12</sup> Congressional Budget Office, *The Economic Impact of S. 744, the Border Security, Economic Opportunity, and Immigration Modernization Act.* (Washington, DC: June 18, 2013).

#### 2.2 The Human and Fiscal Cost Enforcement

The current immigration system is not only broken because of the economic growth that it leaves untapped but also because of the huge fiscal and human cost of its focus on enforcement. Over the last two decades more and more government resources have been poured into attempting to stem the flow of unauthorized immigrants with little perceptible benefit. During that time net unauthorized migration has been driven by the US labor market and the demand for unauthorized workers. While the increased enforcement spending has had little impact on the flow of migrants, it has cost US taxpayers a significant sum. Furthermore, it has made the borderlands much more deadly for migrants who continue to attempt to enter the US whenever a demand for their labor arises.

Figure 3



Sources: US Department of Justice (DOJ), Justice Management Division. (2002). Budget Trend Data: From 1975 Through the President's 2003 Request to the Congress. Washington, DC: DOJ. http://www.justice.gov/archive/jmd/1975\_2002/2002/pdf/page104-108.pdf
p. 106

Since 1992, the amount of government resources dedicated to immigration enforcement has skyrocketed. The funding for border and interior enforcement has increase roughly elevenfold during that period (see figure 3). In fiscal year (FY) 1992, the government allocated \$1.4 billion to the Immigration and Naturalization Service, which oversaw border and interior

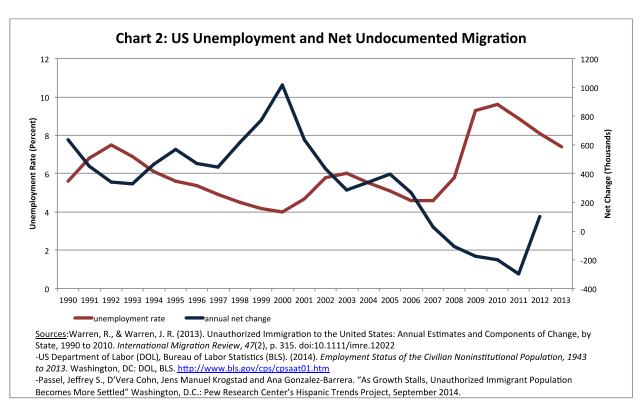
<sup>-</sup>US Department of Homeland Security (DHS). (2004). Budget in Brief FY 2005. Washington, DC: DHS. http://www.dhs.gov/xlibrary/assets/budget\_bib-fy2005.pdf

<sup>-</sup>Also Budgets-in-Brief for FY2006, FY2007, FY2009, FY2011, FY2013, FY 2015.

<sup>-</sup>US Department of Homeland Security, Office of Immigration Statistics (OIS). (2014). Immigration Enforcement Actions: 2013. Washington, DC: DHS, OIS.

enforcement.<sup>13</sup> In FY 2013, the government allocated more than \$17.2 billion to Customs and Border Protection (CBP) and Immigration and Customs Enforcement (ICE), who are respectively responsible for immigration enforcement on the border and in the interior. This drastic spending increase has succeeded in militarizing both border and interior enforcement, which has resulted in a significant increase in the number of unauthorized migrants who die while attempting to enter the United States each year. In the decade between 1995 and 2005, the number of border-crossing deaths more than doubled, according to the Government Accountability Office.<sup>14</sup> In 2005, enforcement expenditures were four and half times what they were in 1995. The increased spending has made it harder to sneak across the border, forcing migrants into taking deadlier routes, but did it stop the migratory flow?

Figure 4



http://www.justice.gov/archive/jmd/1975 2002/2002/pdf/page104-108.pdf

<sup>&</sup>lt;sup>13</sup> US Department of Justice (DOJ), Justice Management Division. (2002). *Budget Trend Data: From 1975 Through the President's 2003 Request to the Congress*. Washington, DC: DOJ.

<sup>&</sup>lt;sup>14</sup> United States of America. United States Congress. Government Accountability Office. *Border-Crossing Deaths Have Doubled Since 1995; Border Patrol's Efforts to Prevent Deaths Have Not Been Fully Evaluated.* Washington D.C.: United States Government Accountability Office, 2006. Print.

The massive increase in border enforcement spending has done little to halt the flow of unauthorized migrants into the US, because that flow is driven by the labor market in the US. Most migrants assume that migrating will be dangerous regardless of US border security, and for many the journey on the Mexico side presents as many dangers and pitfalls as does US border security. In fact, the only time that the net flow of migrants into the US was negative was during the depths of the great recession, when the unemployment rate in the US was approaching 10% (see Figure 4). As soon as the economy recovered and the unemployment rate began to drop, the flow of undocumented migration into the US picked back up. Increased border enforcement spending comes at a high fiscal and human price for US taxpayers and foreign-born migrants, but it has done little to stop unauthorized immigration into the US.

#### 2.3 Immigration Reform's Political Quagmire

Public opinion polling on immigration policy reflects a general recognition of the economic benefits of progressive and comprehensive reform, in addition to the fiscal and human costs of the current enforcement-first regime. A large majority of Americans support allowing unauthorized immigrants to stay in the US legally and yet, despite the fiscal, economic and humanitarian benefits of progressive immigration reform, the issue has been unable to gain momentum in congress. Mapping the partisan and geographic polarization of the political landscape explains how broad public consensus could be met by a lack of legislative progress.

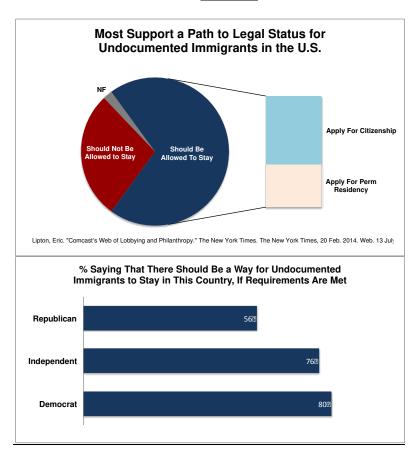


Figure 5

At the national level, allowing unauthorized immigrants to legally stay in the country enjoys overwhelming and bi-partisan support. A June 2015 Pew study found that, assuming certain unspecified conditions were met, 72% of respondents supported legalization. Maybe more surprisingly, 56% of Republicans also supported providing unauthorized immigrants with a way to legally stay in the United States (see Figure 5). However, a December 2014 Pew poll found a revealing split among Republicans on the issue. This earlier study showed that self-

<sup>&</sup>lt;sup>15</sup> "Broad Public Support for Legal Status for Undocumented Immigrants." Pew Research Center (n.d.): n. pag. 4 June 2015. Web. 12 July 2015. <a href="http://www.people-press.org/files/2015/06/6-4-15-Immigration-pag.">http://www.people-press.org/files/2015/06/6-4-15-Immigration-pag.</a> release.pdf>.

identified Tea Party members were 19% more likely to oppose legalization than were Republicans who were not affiliated with the Tea Party. <sup>16</sup>

The split between the GOP's extreme and moderate wings on immigration, and the growing influence of the former, points to the fact that a disproportionate number of Republican legislators are currently pandering to the far-right and voting against the general sentiment within their party. In August 2014, the New York Times ran an article titled, *On Immigration, G.O.P. Starts to Embrace the Tea Party*, which reiterates the outsized influence of the far-right within the GOP. The author, Jonathan Weisman, writes that, "on Capitol Hill, the Tea Party wing continues to drive the party's agenda…[on immigration reform]."<sup>17</sup>

The Tea Party's influence over the GOP's stance on immigration reform stems in part from the priorities of republican voters. While the majority of these voters may support legalizing unauthorized immigrants, legalization's opponents care much more about the issue than do its supporters. According to Jeremy W. Peters' November 2014 article in the New York Times, "The politicians, intellectual leaders and activists who consider themselves part of the Tea Party have redirected their energy from advocating fiscal austerity and small government to stopping any changes that would legitimize people who are here illegally, through granting them either citizenship or legal status." Latino voters also care much more about immigration reform than does the average voter. Weisman's article notes that, "Complexities of immigration law that slip by most of the American news media remain front and center on Spanish television... [and] little-known [far-right] lawmakers like Mr. King and Mr. Brooks are not so obscure among Latinos "19"

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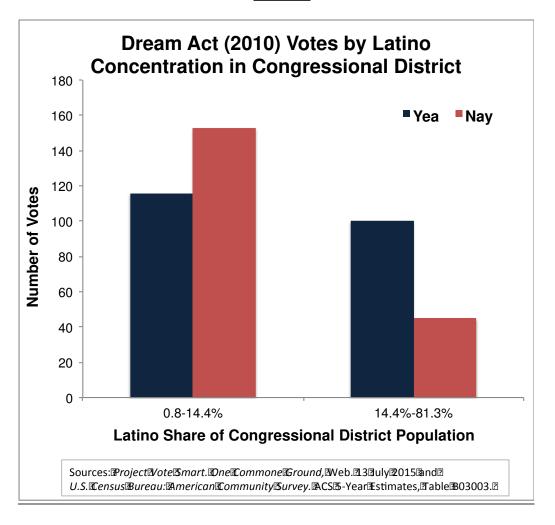
<sup>&</sup>lt;sup>16</sup> "Immigration Action Gets Mixed Response, But Legal Pathway Still Popular." Pew Research Center/USA Today (n.d.): n. pag. Pew Research Center, 11 Dec. 2014. Web. 12 July 2015. <a href="http://www.people-press.org/files/2014/12/12-11-14-Immigration-release.pdf">http://www.people-press.org/files/2014/12/12-11-14-Immigration-release.pdf</a>>.

<sup>&</sup>lt;sup>17</sup> Weissman, Jonathan. "On Immigration, G.O.P. Starts to Embrace Tea Party." The New York Times 12 Aug. 2014: A13. Print.

<sup>&</sup>lt;sup>18</sup> Peters, Jeremey W. "After Obama's Immigration Action, a Blast of Energy for the Tea Party." The New York Times 25 Nov. 2014: A14. Print.

<sup>&</sup>lt;sup>19</sup> Weissman, Jonathan. "On Immigration, G.O.P. Starts to Embrace Tea Party." The New York Times 12 Aug. 2014: A13. Print.

Figure 6

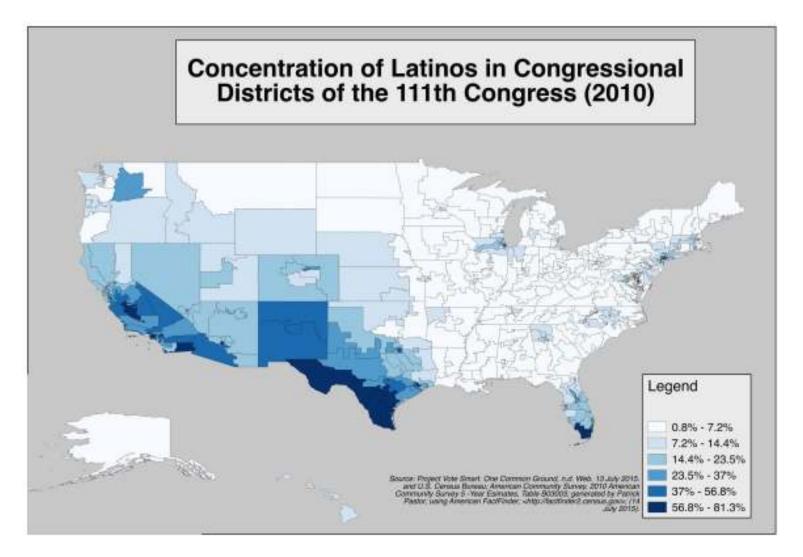


The importance of immigration policy to both far-right and Latino voters, and the impact these voters have had on the fight over immigration reform, can best be understood geographically. The fewer Latinos who live in a congressional district, the more likely it is that that district's voters will elect a representative who is opposed to legalizing unauthorized immigrants. This dynamic is illustrated by the relationship between the congressional districts whose representatives voted for the 2010 DREAM Act in the House of Representatives and the percent of residents in those districts who are Latino. The 2010 DREAM Act, which eventually failed in the Senate, was the spiritual predecessor to DACA and would have provided legal status to unauthorized youth who were childhood arrivals, completed high school, and either attended college or joined the military. Representatives from districts in which Latinos constituted 14.4% or less of the total population voted against the DREAM Act 153 to 116, while Representatives from districts in which Latinos made up more than 14.4% of the population voted for the bill 100 to 45 (see Figure 6).

<sup>&</sup>lt;sup>20</sup> http://www.immigrationpolicy.org/just-facts/dispelling-dream-act-myths

This relationship becomes especially apparent when mapping US congressional districts by how their representatives' voted on the 2010 Dream Act, and by the percent of the population that is Latino (see Figure 7 and 8). These maps show that in many of the congressional districts that do not have large Latino populations, representatives have a political incentive to vote against legalizing undocumented immigrants. The average voter in these areas, being neither Latino nor a member of the Tea Party, does not feel strongly about immigration policy. However, the Tea Party voters are vocal and politically active in their opposition to legalization, and so in districts in which there are few Latinos to act as an equally engaged counter-balance, the views of right-wing activists drive the representatives actions on immigration.

Figure 7



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Figure 8

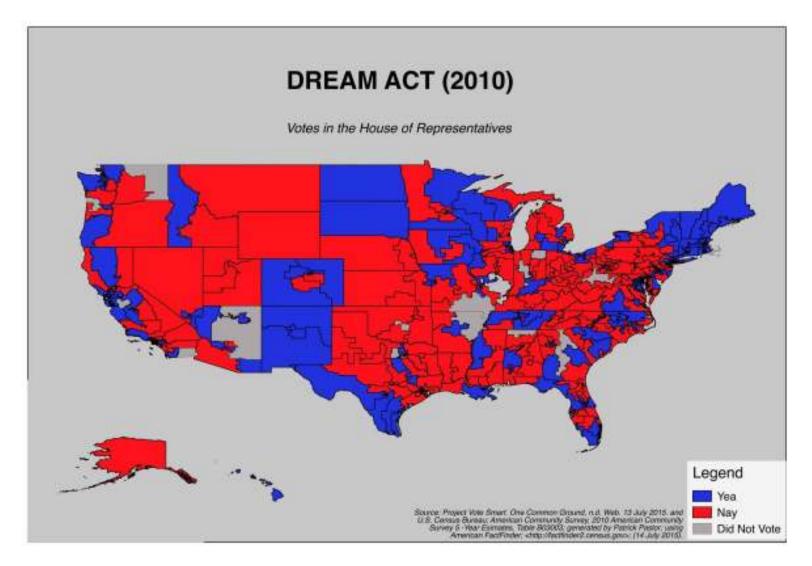


Table 6

**Economic Impacts of Legalization In Congressional Districts That Voted Against the Dream Act** 

| Labor Income Increase (Millions \$) | \$11,449 |
|-------------------------------------|----------|
| Total New Tax Revenue (Millions \$) | \$7,854  |
| Personal Taxes                      | \$1,867  |
| Business Taxes                      | \$3,339  |
| Sales Taxes                         | \$2,648  |
| Total Employment Growth (Thousands) | 268.7    |
| Direct Employment Gain              | 148.4    |
| Indirect Employment Gain            | 54.4     |
| Induced Employment Gain             | 65.9     |

The grand irony is that even in the congressional districts whose representatives are opposed to the legalization of unauthorized immigrants; legalization would generate positive and significant economic impacts. A closer examination of these potential economic impacts, in this case in the congressional districts, whose representatives voted against the 2010 Dream Act, illustrates this point. If all unauthorized immigrants in those districts were to be legalized, they would experience a collective labor income increase of more than \$11.4 billion. This increase in wages would generate more than \$7.8 billion in new revenue from personal, business and sales taxes. Furthermore, this wage growth would generate more than 268,000 new jobs through increases in direct, indirect and induced employment (See Table 6).<sup>21</sup>

<sup>&</sup>lt;sup>21</sup> For more detailed description of the methodology used for these calculations see: Hinojosa, Raul with Maksim Wynn. "From the Shadows to the Mainstream: Estimating the Economic Impact of Presidential Administrative Action and Comprehensive Immigration Reform" (Los Angeles, CA: UCLA North American Integration and Development Center). November 2014.

# III. Our Broken Immigration System is Propped Up by Corporate Campaign Contributions to Anti-Immigrant Policy Makers

Despite the economic and fiscal incentives to and the broad popular support for legalizing unauthorized immigrants, opponents of legalization in Congress continue to respond to a vocal and passionate minority of their constituents. Unfortunately, it is unlikely that those members of the House whose districts do not have a significant Latino constituency will be held accountable at the ballot box for their opposition to reform. These politicians also receive significant financial support from special interests groups that have a vested interest in the preservation of the current immigration system. Secondly, these politicians are buttressed by the prevalence of misinformation regarding immigrants' economic and social impact. Interestingly, some of the special interest groups that support these politicians are reliant on a large Latino consumer base. In the case of media and tech companies, and especially MVPDs, the firms are both reliant on their Latino customers and are informational gatekeepers. This means that while their financial support for anti-immigrant politicians has helped maintain a broken immigration system, many of their corporate practices have contributed to an abundance of misinformation on the topic. The Latino community can and should hold them accountable for these actions.

#### 3.1 Anti-Immigrant Spending by Firms with a Vested Interest in Border Enforcement

It is understandable that firms with a vested interest in enforcement-focused immigration policies invest in anti-immigrant politicians. These firms have contributed to the maintenance and expansion of a militarized border because a militarized border means lucrative government contracts. The lobbying activities of these defense contractors, together with private detentions, aerospace, and technology firms, have led to what a report on the border security market described as an "unprecedented boom period."<sup>22</sup> We have described the fiscal costs of this "boom" market, but costs to US taxpayers are revenue for firms with a financial stake in a militarized border. These firms will go to great lengths to protect and grow that revenue. Examining the private immigrant detention industry provides an excellent window into the ways in which firms with a financial interest in border enforcement have influenced immigration policy.

The two largest private detention firms are the Correction Corporation of America (CCA) and the GEO Group. CCA and the GEO Group garner political influence through campaign contributions, lobbying and revolving door hires. They are then able to leverage this power to support the formation and maintenance of policies favorable to their interests. One such policy is the so-called *bed mandate*. The *bed mandate* is a stipulation in the annual appropriations bill that requires immigration officials not only to supply a specific number of beds for immigrant detention, but also to ensure that those beds are filled at all times. The *bed mandate* and the subsequent glut of detainees have led to a financial windfall for CCA and the GEO Group.

The implementation and protection of a punitive enforcement policy like the *bed mandate* illustrates how private companies have entrenched an enforcement-based immigration regime

<sup>&</sup>lt;sup>22</sup> "Border Security Market Outlook 2014-2024." PRNewswire. PRNewswire, 3 June 2014. Web. 13 July 2015. <a href="http://www.prnewswire.com/news-releases/border-security-market-outlook-2014-2024-261679721.html">http://www.prnewswire.com/news-releases/border-security-market-outlook-2014-2024-261679721.html</a>.

though campaign contributions, lobbying and revolving door hires. According to a 2013 Bloomberg report on the *bed mandate* and on data compiled by the Center for Responsive Politics, CCA, the GEO Group, and a third company called Management & Training Corp. have "since the 2008 elections...donated at least \$132,500 to the campaigns of members of Congressional subcommittees that appropriate money to ICE and determine how much is spent on incarceration." Of those contributions Hal Rogers, the chairman of the House Committee on Appropriations, received \$34,500. <sup>24</sup>

These firms further utilized Washington's lobbying machine in pursuit of the *bed mandate*. In the years leading up to and during all of 2008—the year before the bed mandate was implemented—the LD-2's filed by one of CCA's lobbyist firms, Akin, Gump, Strauss, Hauer & Feld, explicitly stated that they were lobbying for "issues pertaining to the construction and management of private prisons and detention facilities...[and] immigration reform legislation."<sup>25</sup> Private detention firms' influence over immigration policy and their lobbying of the Appropriations Committees has been facilitated by the revolving door hires of former Appropriation Committee members and staffers. Dennis DeConcini, a former Senate Appropriation Committee member now serves on CCA's Board of Directors. <sup>26</sup> In 2012, CCA paid McBee Strategic Consulting \$320,000 for lobbying services, and three of the five McBee lobbyists were either former staffers for the Appropriations Committees, or for Appropriations Committee members. <sup>27</sup> Former Congressman and former member of the Oversight and Appropriations Committee Vic Fazio (D-CA) is also employed by Akin, Gump, Strauss, Hauer & Feld.

## 3.2 Anti-Immigrant Spending by Firms without a Vested Interest in Border Enforcement and Who Rely on an Immigrant and Latino Customer Base

Firms with vested interests in maintaining the current immigration system are not alone in supporting punitive enforcement policies and the politicians that fight for them. Telecommunication firms and MVPDs, despite being heavily reliant on Latino media consumption, have also made significant campaign contributions to conservative politicians whose positions and rhetoric are colored by anti-immigrant vitriol. In 2014 alone, the leading MVPDs and their parent companies—Comcast, AT&T, Verizon, Cox, Time Warner, DISH

<sup>&</sup>lt;sup>23</sup>William Selway and Margaret Newkirk, "Congress Mandates Jail Beds for 34,000 Immigrants as Private Prisons Profit" *Bloomberg*, September 23, 2013, accessed December 18, 2013, <a href="http://www.bloomberg.com/news/2013-09-24/congress-fuels-private-jails-detaining-34-000-immigrants.html">http://www.bloomberg.com/news/2013-09-24/congress-fuels-private-jails-detaining-34-000-immigrants.html</a>

<sup>&</sup>lt;sup>24</sup> "Influence Explorer," *Influence Explorer*, accessed December 18, 2013, http://influenceexplorer.com/contributions/.

<sup>&</sup>lt;sup>25</sup> Office of the Clerk, U.S. House of Representatives. Lobbying Disclosure (LD-2) for Akin, Gump, Strauss, Hauer & Feld 4th Quarter 2008. <a href="http://disclosures.house.gov/ld/ldsearch.aspx">http://disclosures.house.gov/ld/ldsearch.aspx</a> Accessed December 2013

<sup>&</sup>lt;sup>26</sup> "Leading with Passion and Commitment" Corrections Corporation of America, Accessed December 18, 2013, http://cca.com/executive-leadership

<sup>&</sup>lt;sup>27</sup> 2012 Lobby Reports for Firms Representing CCA & GEO (Portland, OR: ENLACE - National Private Prison Divestment Campaign, February 9 2013) big.assets.huffingtonpost.com/CCAGEOlobbyreport.pdf , Accessed December 18, 2013. \*all funds received from lobby groups include funds from their lobbyists and their family members

Network, and DirecTV—contributed more than \$8.1 million to the Republican Party and its candidates. All of these firms made significant contributions to the most fervent anti-immigrant members of Congress, and our research shows that Comcast has made far greater contributions than have their chief competitors in the MVPD market. Comcast has gone so far as to support representatives who believe that the United States should stop feeding incarcerated unauthorized immigrants, and who believe that the US should use "ships of war" to stop the "invasion" of unauthorized immigrants.

Table 7

**Leading MVPDs by Subscribers** 

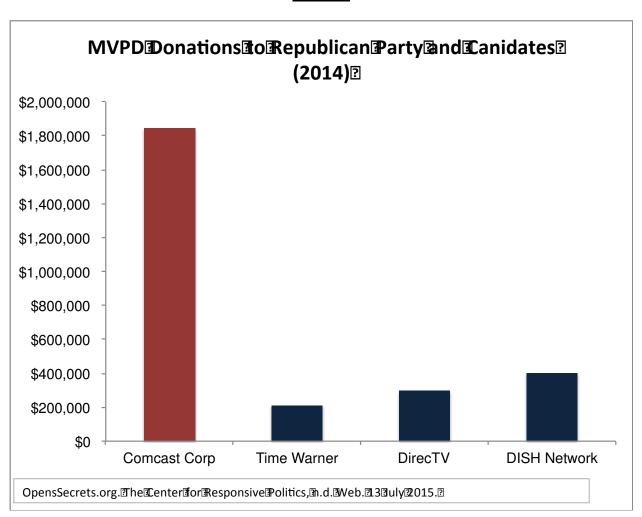
| Multi-Channel Video Provider                             | Subscribers at End of 2013 |  |
|--|----------------------------|--|
| Cable Companies  |                            |  |
| Comcast  | 21,690,000                 |  |
| Time Warner  | 11,393,000                 |  |
| Charter  | 4,342,000                  |  |
| Cablevision  | 2,813,000                  |  |
| Suddenlink   | 1,177,400                  |  |
| Mediacom   | 945,000                    |  |
| Cable ONE  | 538,894                    |  |
| Other Major Private Cable Companies                      | 6,675,000                  |  |
| Total Top Cable  | 49,574,294                 |  |
|  |                            |  |
| Satellite TV Companies (DBS)                             |                            |  |
| DirecTV  | 20,253,000                 |  |
| DISH   | 14,057,000                 |  |
| Total Top DBS  | 34,310,000                 |  |
|  |                            |  |
| Telephone Companies                                      |                            |  |
| AT&T U-verse   | 5,460,000                  |  |
| Verizon FiOS   | 5,262,000                  |  |
| <b>Total Top Telephone Companies</b>                     | 10,722,000                 |  |
| SOURCE: The Companies and Leichtman Research Group, Inc. |                            |  |

<sup>28</sup>"Communications/Electronics." OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13

<sup>&</sup>lt;sup>28</sup>"Communications/Electronics." OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015. <a href="http://www.opensecrets.org/industries/contrib.php?ind=B&Bkdn=DemRep&cycle=2014">http://www.opensecrets.org/industries/contrib.php?ind=B&Bkdn=DemRep&cycle=2014</a>>.

The top four MVPDs donate vastly different amounts to both conservative politicians and the most fervent opponents of immigration and immigrant rights. As of the end of 2013, these firms, in order from most to least subscribers, are Comcast, DirecTV, DISH Network, and Time Warner (see Table 7). From the cable companies, Comcast has the largest market share with 21,690,000 subscribers followed by Time Warner with 11,393,000. Of the Satellite TV Companies, DirecTV has the most subscribers with 20,253,000, followed by DISH Network with 14,057,000. Since these firms do not have a vested interest in immigration enforcement, but do have similar business interests generally, one would think that there would be comparability in their political contributions. However, our examination of those contributions reveals that this is not the case.

Figure 9



Compared to their chief competitors, Comcast contributes significantly more money to the Republican Party and Republican politicians (see Figure 9). In 2014, Comcast contributed more than \$1.8 million dollars to the Republican Party and their candidates. Comcast's three

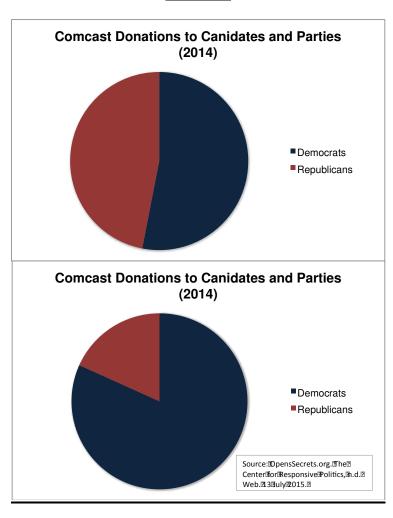
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<sup>&</sup>lt;sup>29</sup> Leichtman Research Group. Major Multi-Channel Video Providers Lost About 105,000 Subscribers in 2013. Leichtman Research Group. N.p., 14 Mar. 2014. Web. 12 July 2015.

leading competitors, DISH Network donated the most to the Republican Party and its candidates with a comparably scant \$400,797. DISH was followed by DirecTV who contributed just over \$298,000, and Time Warner who donated just over \$211,000. House Speaker John Boehner (R-OH) alone received over \$107,000 from Comcast in the 2014 election cycle. While Comcast's outsized support for Republican candidates is troubling, it is much more alarming that they contribute to the most extreme anti-immigrant politicians, and contribute a much larger share of their political spending to Republicans than all other MVPDs.





<sup>&</sup>lt;sup>30</sup>"Communications/Electronics: Top Contributors to Federal Candidates, Parties, and Outside Groups" OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;sup>31</sup> "DirecTV." OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;a href="http://www.opensecrets.org/orgs/totals.php?id=D000067233&cycle=2014">http://www.opensecrets.org/orgs/totals.php?id=D000067233&cycle=2014</a>.

<sup>&</sup>lt;sup>32</sup>"Communications/Electronics: Top Contributors to Federal Candidates, Parties, and Outside Groups" OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

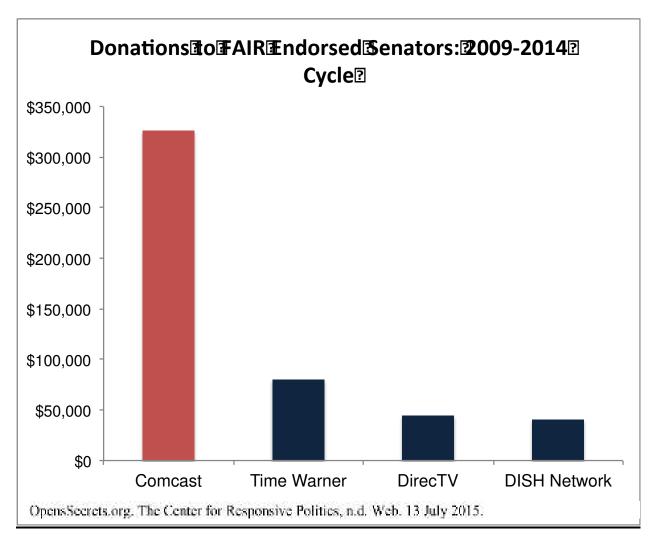
<sup>&</sup>lt; http://www.opensecrets.org/orgs/totals.php?id=D000067233&cycle=2014>.

<sup>&</sup>lt;sup>33</sup>"Among Federal Candidates, 2014 Cycle" OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;a href="http://www.opensecrets.org/orgs/recips.php?id=D000000461&type=P&state=&sort=A&cycle=2014">http://www.opensecrets.org/orgs/recips.php?id=D000000461&type=P&state=&sort=A&cycle=2014</a>.

Compared to the cable television company with the second most subscribers, Time Warner, a significantly larger share of Comcast's total political contributions are made to the Republican Party and their candidates. In the 2014 cycle, only 18.2% of Time Warner's political contributions went to the Republican Party and its candidates, compared to 46.9% of Comcast's (See Figure 10).<sup>34</sup> Comcast stands out from the firm with the second largest share of the cable television market by not only contributing more money to the Republicans, but also by the percent of their total contributions that go to that party.

Figure 11



Comcast also contributes far more money to the politicians that are the most staunchly opposed to progressive immigration reform. The Federation for American Immigration Reform (FAIR) is a right-wing organization that advocates against any immigration reform that includes

<sup>&</sup>lt;sup>34</sup>"Among Federal Candidates, 2014 Cycle" OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;a href="http://www.opensecrets.org/orgs/recips.php?id=D000000461&type=P&state=&sort=A&cycle=2014">http://www.opensecrets.org/orgs/recips.php?id=D000000461&type=P&state=&sort=A&cycle=2014</a>.

legalization of the undocumented or provides them with a path to citizenship. They support more government spending on border and interior enforcement. Interior enforcement takes an especially steep toll on immigrants and their families, as it uproots families who have built a life in the US.<sup>35</sup> FAIR also opposes any increase in the number of *legal* immigrants granted entry into the United States. Moreover, they oppose granting asylum to refugees fleeing social violence.<sup>36</sup> Senators who have been rated 100% by FAIR are the staunchest opponents of comprehensive immigration reform and are generally hostile towards the Latino community and their interests.

There are 34 Senators who were rated 100% by FAIR, and in the 2009-2014 election cycle<sup>37</sup> these Senators received more three times as much in contributions from Comcast as they did from Time Warner, and more than six and seven times as much from Comcast as they did from DirecTV and Dish Network respectively (see figure 11). Comcast contributed \$326,450 to these Senators, while Time Warner contributed only \$79,900, and DirecTV and DISH Network contributed a relatively paltry \$44,500 and \$40,450 respectively (see Appendix A for list of all 34 Senators and Comcast's contributions). One of these Senators, Chuck Grassley (R-IA) politicized the Boston Marathon bombing by tying it into the debate over immigration reform. Grassley, who received \$14,000 from Comcast in the 2009-2014 cycle, described the earned income tax credit—a tax credit for the working poor—as an amnesty bonus.

Another one of these Senators, Jeff Sessions (R-AL), who received \$10,000 from Comcast during the 2009-2014 cycle, called the Comprehensive Immigration Reform Act of 2007 the "Terrorist Assistance and Facilitation Act of 2007" on the floor of the Senate. <sup>42</sup> Sessions has also been accused of heinous bigotry. When Sessions was nominated for U.S. District Court in Alabama in 1986, Thomas Figures, an African-American former assistant U.S. Attorney, testified at Sessions confirmation hearings. According to a 2002 New Republic article, Figures said that Sessions was heard by several colleagues stating that he, "used to think they [the Klan] were ok' until he found out some of them were pot smokers." Figures also said Sessions had called him "boy" and had told him to be "Careful what you say to white folks." In those same confirmation hearings another witness testified that Sessions had described the

<sup>&</sup>lt;sup>35</sup> Interestingly, part of the roots these families put down includes some degree of cultural assimilation---a process that often involves watching television.

<sup>&</sup>lt;sup>36</sup> 7 Principles of True Comprehensive Immigration Reform. Federation for American Immigration Reform, n.d. Web. 13 July 2015.

<sup>&</sup>lt;sup>37</sup> With the exception of Shelley Capito (R-WV), James Lankford (R-OK), Bill Cassidy (R-LA), Cory Gardner (R-CO), and Tom Cotton (R-AR) who were in the House at some point during this cycle. For these politicians, we counted the contributions during their most recent election cycle, whether it was a shortened time in the Senate or a two-year cycle in the House.

<sup>&</sup>lt;sup>38</sup> OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;sup>39</sup> Foley, Elise. "Chuck Grassley Ties Boston Bombings To Immigration Reform." *The Huffington Post*. TheHuffingtonPost.com, 19 Apr. 2013. Web. 13 July 2015.

<sup>&</sup>lt;sup>40</sup> OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;sup>41</sup> Hicks, Josh. "Grassley Wants to Block So-called 'amnesty Bonuses' for Immigrants." *Washington Post*. The Washington Post, 03 Mar. 2015. Web. 13 July 2015.

<sup>&</sup>lt;sup>42</sup> Khan, Mahwish. "Background Briefing: Senator Jeff Sessions (R-AL) - America's Voice." *America's Voice*. N.p., 26 May 2009. Web. 13 July 2015.

NAACP as "un-American" and "communist-inspired" and that he resented them for "forcing civil rights down the throats of people." 43

Comcast has also supported some of the most radical anti-immigrant policy makers in the House of Representatives. Dan Bineshek (R-MI) and Jon Runyan (R-MI) have strongly advocated for the economically disastrous idea of mass deportation. Bineshek, who has received \$11,000 from Comcast in the past year, 44 stated that, "anybody who came over here of their own volition should be out." Runyan, who has received \$11,500 from Comcast since 2010, 46 has argued that, "anyone here illegally should be sent back home." 47

Amazingly, Comcast has also supported representatives whose views on immigration and immigrants are much more extreme than those of Bineshek and Runyan. Louie Gohmert (R-TX), who has received \$11,000 since 2010 from Comcast, 48 likened unauthorized immigration to an "invasion" and suggested that Texas had the right, "to use whatever means, whether it's troops, even using ships of war, even exacting a tax on interstate commerce that wouldn't normally be allowed...in order to pay to stop the invasion."<sup>49</sup> Steve Southerland, who has received \$16,000 from Comcast since 2010, 50 believes the US should starve unauthorized immigrants who are in prison. "We also know that our federal prisons are filled with people that are here illegally. We are now feeding them three squares a day, a bed, we're giving them a gym" Southerland said. "I think those...[unauthorized immigrants] that are here incarcerated...We have no obligation to continue to feed them going forward."<sup>51</sup>

Comcast even supported Steve King (R-IA), the notorious representative who has expressed his disdain for Latinos and unauthorized immigrants with surprisingly hateful rhetoric. King, who has received \$9,500 from Comcast since 2010,<sup>52</sup> has compared immigrants to dogs, and said that for every valedictorian DREAMer, there are "one-hundred hauling seventy-five pounds of marijuana through the desert." He like Sen. Grassley, also politicized the tragedy of the Boston Marathon bombing in order to argue against immigration reform. <sup>53</sup>

Comcast's relationship with these anti-immigrant and anti-Latino groups does not end there. Comcast, as well as Time Warner, Cox, AT&T, and Verizon are involved with the American

<sup>&</sup>lt;sup>43</sup> Wildman, Sarah. "Closed Sessions." *The New Republic*. The New Republic, 30 Dec. 2002. Web. 13 July 2015.

<sup>&</sup>lt;sup>44</sup> OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;sup>45</sup> "Republicans on Immigration: In Their Own Words." The Democratic Congressional Campaign Committee, n.d. Web. 15 July 2015.

<sup>&</sup>lt;sup>46</sup> OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;sup>47</sup> "Republicans on Immigration: In Their Own Words." The Democratic Congressional Campaign Committee, n.d. Web. 15 July 2015.

<sup>&</sup>lt;sup>48</sup> OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;sup>49</sup> Singh, Katie. "Rep. Louie Gohmert Urges Texas to Declare War, "Use Whatever Means" to Stop Child Refugee Invasion." *Burnt Orange Report*. N.p., 17 July 2015. Web. 13 July 2015.

<sup>&</sup>lt;sup>50</sup> OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;sup>51</sup> "Republicans on Immigration: In Their Own Words." The Democratic Congressional Campaign Committee, n.d. Web. 15 July 2015.

<sup>&</sup>lt;sup>52</sup> OpensSecrets.org. The Center for Responsive Politics, n.d. Web. 13 July 2015.

<sup>&</sup>lt;sup>53</sup> "Republicans on Immigration: In Their Own Words." The Democratic Congressional Campaign Committee, n.d. Web. 15 July 2015.

Legislative Exchange Council (ALEC).<sup>54</sup> ALEC was instrumental in crafting the model legislation that became Arizona's SB 1070.<sup>55</sup> The notorious law, enacted in 2010, is the strictest anti-immigrant law in the nation and legitimizes racial profiling by requiring police officers "to detain people they reasonably suspect are in the country without authorization."<sup>56</sup> Comcast has repeatedly insisted that they are committed to the Latino Community and their Latino customers.<sup>57</sup> However, their political contributions and activities, especially in comparison with their competitors, tell a different story. They tell the story of a company that, despite having no business interests in a continued enforcement-based immigration regime, has helped prop up a broken immigration system that harms their immigrant and Latino customers as well as the nation as a whole.

<sup>&</sup>lt;sup>54</sup> Stephensen, John. *Memorandum to Telecommunications and Information Technology Task Force Members*. Rep. N.p.: American Legislative Exchange Council, 2011. Print.

<sup>&</sup>lt;sup>55</sup> Sullivan, Laura. "Prison Economics Help Drive Ariz. Immigration Law." NPR. NPR, 28 Oct. 2010. Web. 13 July 2015. <a href="http://www.npr.org/2010/10/28/130833741/prison-economics-help-drive-ariz-immigration-law">http://www.npr.org/2010/10/28/130833741/prison-economics-help-drive-ariz-immigration-law</a>.

<sup>&</sup>lt;sup>56</sup> Archibald, Randal C. "Arizona Enacts Stringent Law on Immigration." *The New York Times* 24 Apr. 2010: A1. Print.

<sup>&</sup>lt;sup>57</sup> Cohen, David L. "Comcast's Commitment to the Hispanic Community." *Comcast Voices*. Comcast NBCUniversal LLC, 27 March 2015. Web. 13 July 2015.

# IV. MVPDs and Media Companies' Corporate Practices Entrench Misinformation, which Limits the Prospects for Comprehensive Immigration Reform

Opposition to progressive and comprehensive immigration reform is not only driven by corporate money, it is also fueled by widely held misconceptions and prejudices. Too many Americans do not understand the positive economic and cultural impacts that immigrants have had on this country. The United States is a nation that was built by immigrants and today they are responsible for the country's continued economic growth. Yet, large swaths of the nation view immigrants as a burden to be feared. In many cases these men and women have found news outlets and advocacy groups that stoke their fear, but in others they simply do not have access to better sources of information. The geographic polarization of Americans' views on immigration reform points to the fact that many opponents live in areas that both lack Latinos and are not major metropolitan areas. This generally means that these areas' residents lack first hand experience with immigrants, which heightens the importance of the media sources they have available to them. If they do not have access to mass media, or the choices in that media are limited, than it is more likely that misinformation and vaguely formed prejudices will take root. As arguably the US's most influential distributors of information, MVPDs' corporate practices have an outsized impact on whether this destructive misinformation flourishes or fades away.

Wide Partisan Divide in Overall Views of Immigrants' Impact on U.S.

Figure 12

Source: "Broad Public Support for Legal Status for Undocumented Immigrants." Pew Research Center (n.d.): n. pag. 4 June 2015. Web.

Republican

Independent

Strengthen country through hard work & talents

Democrat

Total

12 July 2015.

Burden country by taking jobs, housing, health care

The dynamic in which those voters who are most fervently opposed to legalization know the fewest immigrants and thus have the least at stake, permeates beyond specific policies and into their general worldview. Sixty-three percent of Republican voters polled in the June 2015 Pew study said that they view immigrants—authorized and unauthorized—as burdening the US by taking jobs, housing and health care. In comparison, only thirty-two percent of Democratic voters said they felt the same (see Figure 12).<sup>58</sup> This discrepancy is in part the product of the geographical polarization of the political landscape, at least as it relates to immigration reform, but it also points to the political polarization of the news, and how limiting the public's access to information can impact policy.

The prevalence of the belief that immigrants harm the economy is troubling because it is utterly false. There is consensus among scholars that US economic growth is reliant on and in large part driven by immigrants. <sup>59</sup> That such a large swath of the US public believes the opposite points to fundamental problems in the ways in which this sector of the population accesses information or the information that is available to them. To understand this defect it is worth examining the so-called "pipes" through which that information is delivered—telecommunication firms and MVPDs.

Media companies and specifically MVPDs are the gatekeepers of information and should be held accountable when the manner in which they control the flow of information harms their customers. Since Comcast-NBC Universal have made greater contributions to anti-immigrant politicians than their top competitors, the NAID Center felt it was important to examine how their corporate practices impact the Latino community and the flow of information to their customers generally.

What we found is that a number of their corporate practices have restricted their customers' access to content and Internet service in ways that are damaging to Latinos, the issues that Latinos care about, and their customer base in general. In particular, we found three types of informational restrictions that are representative of both the ways in which Comcast profits off restricting information at the expense of their customers, and also the impact of these practices on public policy and government regulation.

#### These restrictions are:

1) Initially, violating the localism conditions imposed by the FCC as part of the NBCU merger. Specifically, providing less local Spanish-language news than they had promised to deliver, and far less than the amount of English language news they deliver. Comcast is now in compliance with the FCC but still offers far less local news in Spanish than they do in English.

<sup>58</sup> "Broad Public Support for Legal Status for Undocumented Immigrants." Pew Research Center (n.d.): n. pag. 4 June 2015. Web. 12 July 2015. <a href="http://www.people-press.org/files/2015/06/6-4-15-Immigration-release.pdf">http://www.people-press.org/files/2015/06/6-4-15-Immigration-release.pdf</a>.

<sup>&</sup>lt;sup>59</sup> "Finance & Development." IMF Finance and Development Magazine. International Monetary Fund, n.d. Web. 13 July 2015. <a href="http://www.imf.org/external/pubs/ft/fandd/2015/06/index.htm">http://www.imf.org/external/pubs/ft/fandd/2015/06/index.htm</a>.

- 2) Protecting subsidiary networks from competition by imposing unreasonable conditions during carriage negotiations with independent broadcasters. This has further limited viewers' access to Spanish-Language news and Latino voices on public affairs.
- 3) Postponing the introduction of the Internet Essentials program—a subsidized low-cost Internet service—in order to have more leverage in merger negotiations with the FCC, and then introducing the program with conditions that severely limited enrollment. Since many of these potential enrollees were Latinos, these practices have limited Latinos' ability to participate in civil society.

#### 4.1 Localism and Spanish Language Local News

The FCC imposed a number of conditions upon Comcast when it allowed their acquisition of NBC Universal. Two of those conditions stipulated that:

- "[A]t least six of the stations that comprise the Telemundo Station Group division collectively produce an additional 1,000 hours per year of original, local news and information programming."
- [T]he stations that comprise the NBC Owned Television Stations division produce an additional 1,000 hours per year of original, local news and information programming to air on multiple platforms."<sup>60</sup>

A 2011 report published by the watchdog Free Press, which examined "the first Localism Reports filed since consummation of the Comcast-NBCU merger," found that the newly formed conglomerate "erroneously counted advertising content in its local news tallies." More troubling is that Free Press also found that, "NBC O&Os report an average of four hours and 42 minutes per day of local programming. Telemundo O&Os average only 48 minutes per day of local programming and, in a number of markets, they air significantly less than that amount." <sup>61</sup>

Comcast's most recent report on their compliance with the FCC's transaction conditions shows that while Comcast is now in full compliance with those conditions, there is still a wide gulf between the amount of local news aired in Spanish and in English on the networks its owns. In this compliance report Comcast proudly announced that, "During 2014, the Telemundo-owned stations collectively produced and aired approximately 4,620 hours of regularly scheduled local news programming over and above the amount aired in the year preceding the Closing of the Transaction." While this may seem impressive, when one considers that the Telemundo Station Group is comprised of seventeen stations it becomes notably less so. In fact, spreading those hours across all Telemundo Stations yields just 44 minutes of added Spanish-language news coverage per station per day. Adding this time to the 48 minutes of Spanish-language local

<sup>&</sup>lt;sup>60</sup> FOURTH ANNUAL REPORT OF COMPLIANCE WITH TRANSACTION CONDITIONS. Rep. N.p.: Comcast Corporation NBCUniversal Media, LLC, 2015. Print.

<sup>&</sup>lt;sup>61</sup> Wright, Corie. "No News Is Bad News." Editorial. FreePress.net. Free Press, May 2011. Web. 13 July 2015.

<sup>&</sup>lt;sup>62</sup> FOURTH ANNUAL REPORT OF COMPLIANCE WITH TRANSACTION CONDITIONS. Rep. N.p.: Comcast Corporation NBCUniversal Media, LLC, 2015. Print.

news per station per day reported by Free Press, reveals that Telemundo owned and operated (O&O) stations are airing an average of one hour and thirty-two minutes of local news a day. This is three hours and ten minutes less local news than the NBC O&Os were airing in 2011 and even less than those stations are airing today after their own FCC mandated increase in local news production.

The discrepancy between the amount of Spanish and English-language news aired by Comcast's content producing subsidiaries has political and policy ramifications. The lack of Spanish-language local news that Comcast's networks produce stifles Latino voices. By limiting the exposure of Latino commentators, Comcast is limiting the Latino community's ability to refute misinformation like that displayed above in Figure 12. Comcast's lack of commitment to Spanish-language news is made more troubling by their refusal to carry networks that compete with Telemundo, and that are more committed to Spanish-language news, like Estrella TV (see section 6.2). The discrepancy between the amount of Spanish and English-language local news produced by Comcast was troubling enough that Senator Al Franken (D-MN) noted it in a letter he wrote to the FCC, in which he laid out his concerns regarding the proposed, and now abandoned, merger between Comcast and Time Warner.<sup>63</sup>

# 4.2 Comcast's Silencing Independent and Minority Owned Stations

In his letter, Sen. Franken also noted Comcast's history of abusing its control over both programming and the distribution of that programming. He wrote in an earlier letter that, "Comcast would have strong incentives to favor its own programming and raise prices, thereby harming both consumers and competitors." Sen. Franken goes on to say that soon after acquiring NBC Universal, Comcast, "undertook efforts to favor its own programming and harm its competitors. For example, Comcast kept MSNBC and CNBC – its newly acquired channels – in a neighborhood of news networks while relegating Bloomberg News to a distant and undesirable location in the Comcast lineup." In 2013, the FCC ruled in favor of Bloomberg News, stating that Comcast's treatment of Bloomberg News violated another one of the conditions the FCC had placed on the NBC Universal merger.

Comcast's treatment of Bloomberg News is troubling because it is not an isolated incident but rather one of many instances in which Comcast protects networks owned and operated by its subsidiaries from competition with independently owned networks. It is also a part of larger pattern in which Comcast drives profits by restricting the availability of information to its consumers. Systematically keeping valuable news programming off the air is the kind of corporate practice that allows misinformation to flourish.

<sup>&</sup>lt;sup>63</sup> Moran, Chris. "Franken: Comcast's Previous Behavior Doesn't Bode Well For Time Warner Cable Deal." Consumerist. N.p., 03 Mar. 2014. Web. 13 July 2015.

<sup>&</sup>lt;sup>64</sup> Moran, Chris. "Franken: Comcast's Previous Behavior Doesn't Bode Well For Time Warner Cable Deal." Consumerist. N.p., 03 Mar. 2014. Web. 13 July 2015.

<sup>&</sup>lt;sup>65</sup> Gardener, Eriq. "FCC Orders Comcast to Put Bloomberg TV Alongside Other News Channels." The Hollywood Reporter. Prometheus Global Media, 27 Sept. 2013. Web. 13 July 2015.

In light of the dearth of local Spanish-language news provided on Comcast's Telemundo stations, Comcast's treatment of independent and minority owned Estrella TV is particularly troublesome. Estrella TV is in a dispute with Comcast over the lack of distribution parity that Comcast extends the network. Comcast is refusing to carry Estrella TV in important Hispanic markets and Estrella TV believes its rating justify such expanded distribution. In fact, Comcast and recently dropped Estrella TV from its lineup in Houston, Denver and Salt Lake City last February. This would not be disconcerting except for the possibility that Comcast's tough negotiating is being carried out to protect their subsidiary network Telemundo, rather than being driven by the perception that Estrella TV is not worth expanding into new markets. Estrella TV's founder and chairman José Liberman suggested that Comcast is indeed trying to protect Telemundo. "With Estrella TV now surpassing Telemundo in the Los Angeles market and elsewhere, it is troubling to see Comcast act irresponsibly..." he said in an article on the negotiations in an industry trade site. 67

Further evidence that Comcast is acting against Estrella in order to protect Telemundo from competition comes from a letter written by Congressman Tony Cardenas (D-CA) in opposition to the proposed merger of Comcast and Time Warner. Cardenas stated that, "Estrella TV contends that it will be forced to terminate its carriage agreement with Comcast in...[Houston, Denver and Salt Lake City] because the terms Comcast has been requiring are commercially unfeasible." Cardenas went on to say that, "This example of a contract negotiation with a direct competitor to Comcast's Telemundo, shows the potential for an uneven playing field, where the direct competitor is sitting at the bargaining table and negotiating commercially reasonable terms." He supported these claims by pointing out that Estrella TV beat Telemundo among 25 to 54 year old Hispanics in those cities during primetime. <sup>68</sup> In light of Comcast's lack of commitment to Spanish-language news, their treatment of Estrealla TV is reckless and unacceptable. Estrella TV has shown a commitment to amplifying Latino voices, and providing a platform from which Latino commentators can provide meaningful and positive analyses of the issues that pertain Latinos. Since comprehensive immigration reform is undoubtedly one of the issues American Latinos care about most, the loss of Estrella TV in three major media markets has done real damage to the prospects of passing reform legislation. Comcast's refusal to provide distribution parity to Estrella TV impacts a Latino community starved for news voices and desperate for information regarding issues affecting the community.

Comcast has repeatedly claimed that they do not discriminate between networks they are affiliated with and ones that they are not, and they have expressed a commitment to "enhancing programming diversity." As part of the NBC-U merger, the FCC stipulated that Comcast could not discriminate against networks that compete with their own, mandating a "Prohibition on the Company discriminating in video programming distribution on the basis of affiliation or non-

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<sup>&</sup>lt;sup>66</sup> Reynolds, Mike. "Estrella TV, Comcast Face Carriage Deadline in 3 DMAs." Multichannel News. NewBay Media, LLC, 6 Feb. 2015. Web. 13 July 2015.

<sup>&</sup>lt;sup>67</sup> Reynolds, Mike. "Estrella TV, Comcast Face Carriage Deadline in 3 DMAs." Multichannel News. NewBay Media, LLC, 6 Feb. 2015. Web. 13 July 2015.

<sup>&</sup>lt;sup>68</sup> Brodkin, Jon. "Congressman Battles Comcast over Programming Dispute and TWC Merger." Ars Technica. Condé Nast, 11 Feb. 2015. Web. 13 July 2015.

affiliation".<sup>69</sup> Comcast committed to "programming diversity" in a memorandum of understanding (MOU) that they signed with Latino advocacy groups and which was "negotiated in the context" of the Comcast and NBCU merger. In the MOU Comcast committed to "bring[ing] new minority and independently owned networks to the market." However of the networks they launched with African American or Latino ownership—ASPiRE, REVOLT, El Rey, and Baby First Americas 71—two were music-focused networks, one was a movie channel, and the last produces content for babies. None of these networks produce news, public affairs, or serious informational content for members of minority communities.

Comcast's treatment of Bloomberg News, Estrella TV and an independent television producer named Byron Allen further shows Comcast's commitments to the FCC and in the MOU to be empty gestures. Allen is currently suing Comcast over their carriage practices and for discriminating against minority and independently owned stations. According to a Washington Post article on Allen's suit, "black-owned businesses receive just \$3 million of the \$15 billion Comcast spends on channel carriage and advertising." That both Estrella TV and Allen's Entertainment Studios are both minority and independently owned networks suggests that Comcast's commitment to such networks does not extend beyond their public relations and government affairs offices.

### 4.3 Comcast Internet Essentials: Good PR, Empty Promises and a Flawed Program

Comcast's Internet Essentials program crystallizes the disconnect between the company's publicly stated commitments and their actual corporate practices. The program offers a 5 megabits per second (Mbps) download connection for \$10 a month to lower-income families. Comcast has touted the program as a groundbreaking effort to close the digital divide through the provision of cheap broadband internet and as further evidence of the company's commitment to lower-income and minority families. Unfortunately, the program is deeply flawed and Comcast's claims have proven to be dubious at best. We will analyze the programs flaws in detail but in summary:

- Comcast has erected significant barriers to enrollment in the program and as a result it has reached relatively few potential customers.
- The Internet provided does not meet the FCC's definition of high-speed broadband.
- Comcast is more committed to the optics of the program than the program itself.

<sup>&</sup>lt;sup>69</sup> FOURTH ANNUAL REPORT OF COMPLIANCE WITH TRANSACTION CONDITIONS. Rep. N.p.: Comcast Corporation NBCUniversal Media, LLC, 2015. Print.

<sup>&</sup>lt;sup>70</sup> United States of America. Federal Communications Commission. "Memorandum of Understanding between Comcast Corporation, NBCUniversal, and the Hispanic Leadership Organization." Washington, D.C. 25 June 2010. Print.

<sup>&</sup>lt;sup>71</sup> FOURTH ANNUAL REPORT OF COMPLIANCE WITH TRANSACTION CONDITIONS. Rep. N.p.: Comcast Corporation NBCUniversal Media, LLC, 2015. Print.

<sup>&</sup>lt;sup>72</sup> 71. Kaplan, Sarah. "Lawsuit Accuses Comcast, Al Sharpton of Discriminating against Black-owned Media." Washington Post. The Washington Post, 24 Feb. 2015. Web. 13 July 2015.

<sup>&</sup>lt;sup>73</sup> Cohen, David L. "Internet Essentials: Year Four Progress Report." Comcast Voices. Comcast NBCUniversal LLC, 10 Mar. 2015. Web. 13 July 2015.

Comcast holds up the Internet Essentials program as proof of their commitment to closing the digital divide and to Latino and African-American households—of which only 56 percent and 62 percent respectively have broadband access at home. <sup>74</sup> In singing the program's praises Comcast's chief lobbyist David L. Cohen stated that, "Through years of research and hard work, we have found that relentless engagement and digital education on a hyper-local level is the key to closing the digital divide... We are making great progress" <sup>75</sup>

Comcast's relentless engagement has not prevented them from erecting barriers that seem aimed at limiting enrollment and diverting potential enrollees into more expensive services. According to the consumer watchdog website the Consumerist, for a family to enroll in the program they must, "have at least one child eligible to participate in the National School Lunch Program...[and] have not subscribed to Comcast Internet service within the last 90 days." These requirements exclude older community members, any family that has stretched their resources in order to access the Internet, and young parents whose children are not yet in school. The sign-up process further illustrates Comcast's dubious commitment to the program's lofty pretenses. Again according to the Consumerist, "Internet Essentials is separate from Comcast's standard service. It uses a different website and phone number for enrollment and information. Consumers who call Comcast's regular line and try to ask for the cheap internet generally get shunted into some kind of promotional triple-play package. Comcast representatives don't redirect callers to the other phone number."

Comcast's use of Internet Essential's publicity to lure potential enrollees into more expensive services—which then precludes those individuals from enrolling in Internet Essentials for 90 days—is the kind of relentless engagement that is not needed nor wanted in low-income communities. Forty-two months after the program launched Comcast has only enrolled 17% of the potentially eligible population, according to their own estimates. The barriers to enrollment have also resulted in a protest outside of Comcast's corporate headquarters in Philadelphia.

The barriers to enrollment prevent a significant number of Latinos from gaining access to the internet. This lack of access prevents them from joining the important conversations that take place on the internet. As the Latino community's economic and political clout grows, the internet is one of the most important spaces in which that clout can be applied to the levers of government and private sector power. The barriers that Comcast has built around its Internet

<sup>&</sup>lt;sup>74</sup> Carmona, Arturo, and Joseph Torres. "Why Media Mega-Mergers Are Bad News for Latinos and Other Communities of Color." FreePress.net. Free Press, 5 May 2015. Web. 13 July 2015.

<sup>&</sup>lt;sup>75</sup> Cohen, David L. "Internet Essentials: Year Four Progress Report." Comcast Voices. Comcast NBCUniversal LLC, 10 Mar. 2015. Web. 13 July 2015.

<sup>&</sup>lt;sup>76</sup> Cox, Katie. "How Comcast Uses Low-Income Families To Look Good For Regulators." Consumerist. N.p., 29 Mar. 2014. Web. 13 July 2015.

<sup>&</sup>lt;sup>77</sup> Cox, Katie. "How Comcast Uses Low-Income Families To Look Good For Regulators." Consumerist. N.p., 29 Mar. 2014. Web. 13 July 2015.

<sup>&</sup>lt;sup>78</sup> Cohen, David L. "Internet Essentials: Year Four Progress Report." Comcast Voices. Comcast NBCUniversal LLC, 10 Mar. 2015. Web. 13 July 2015.

<sup>&</sup>lt;sup>79</sup> Mayes, Eric. "Protestors: Comcast Outreach Falls Short." Editorial. The Philadelphia Tribune n.d.: n. pag. The Philadelphia Tribune. 26 Jan. 2012. Web. 13 July 2015.

Essentials program silences the voices that internet's democratization of information was supposed to amplify. A company that was truly committed to strengthening minority communities in the markets it serves, would not erect such barriers, but by doing so Comcast has yet again silenced important sources of information, and limited Latino access to civil society and the political influence that such access accords.

Internet Essentials not only has flawed enrollment practices, once customers do enroll they receive a flawed product. As recently as March 2015, Comcast has advertised Internet Essentials' service, which has a download speed of up to 5Mbps, as a "broadband adoption program." However, in January 2015 the FCC voted to redefine a broadband connection as one that provides download speeds of 25Mbps. Comcast's internet essentials program is therefore five times slower than broadband. The median price for a 30Mbps connection in the US is \$54.97 per-month. This means that Comcast's Internet Essentials program with its 5Mbps for \$10 permonth offers less value in Mbps per dollar than does the standard internet service options available to the US consumer.

Comcast is relentless in publicizing their socially responsible corporate practices but are less committed to ensuring that those practices actually are socially responsible. Internet Essentials is a perfect example of this disconnect. The program is supposed to demonstrate Comcast's commitment to helping low-income communities, and the many minorities who live in these communities, yet instead it demonstrates their commitment to being perceived as helping. Comcast was ready to launch Internet Essentials in Fall 2009, but at the behest of David Cohen they delayed the launch for roughly two years so that the program could be used as a bargaining chip during the NBCU merger negotiations with the FCC.<sup>83</sup>

The financial contributions that telecommunication firms and MVPDs give to anti-immigrant politicians, and these companies irresponsible treatment of minority customers and minority networks, belies the fact that minorities—and especially Latinos—are critical to both their short and long term viability. On average, Latinos—whose buying power is skyrocketing---are not only consuming more television than the general US population, they are also spending more time watching video on the internet and on mobile phones, as well as spending more time playing video games. In addition, the most populous counties in the US, and by extension some of the most valuable markets, have majority-minority populations. Minorities, and particularly Latinos, have significant leverage in their relationship with their media providers and distributors. This leverage should be exercised to hold these firms accountable for their corporate practices and political contributions.

<sup>&</sup>lt;sup>80</sup> Cohen, David L. "Internet Essentials: Year Four Progress Report." Comcast Voices. Comcast NBCUniversal LLC, 10 Mar. 2015. Web. 13 July 2015.

<sup>&</sup>lt;sup>81</sup> United States of America. Federal Communications Commission. FCC Finds U.S. Broadband Deployment Not Keeping Pace. Washington D.C.: n.p., 2015. Print.

<sup>&</sup>lt;sup>82</sup> "The Cost of Connectivity 2014." New America. Open Technology Institute, 30 Oct. 2015. Web. 13 July 2015.

<sup>&</sup>lt;sup>83</sup> Kang, Cecilia. "David Cohen May Be Comcast's Secret Weapon, but in D.C. He's a Wonk Rock Star." Washington Post. The Washington Post, 29 Oct. 2012. Web. 13 July 2015.

<u>Table 8</u>
Change in MVPD Subscribers

| Multi-Channel Video Provider     | Change in Subscribers (End of 2014) |
|----------------------------------|-------------------------------------|
| Cable Companies                  |                                     |
| Comcast*                         | -194,000                            |
| Time Warner                      | -401,000                            |
| Charter                          | -49,000                             |
| Cablevision                      | -132,000                            |
| Suddenlink                       | -49,100                             |
| Mediacom                         | -55,000                             |
| Cable ONE                        | -87,677                             |
| Other Major Private Cable Compar | -225,000                            |
| Total Top Cable                  | -1,192,777                          |
|                                  |                                     |
| Satellite TV Companies (DBS)     |                                     |
| DirecTV                          | 99,000                              |
| DISH                             | -79,000                             |
| Total DBS                        | 20,000                              |
|                                  |                                     |
| Telephone Companies              |                                     |
| AT&T U-verse^                    | 660,000                             |
| Verizon FiOS                     | 387,000                             |
| Total Top Phone                  | 1,047,000                           |
| Total Top Pay-TV Providers       | -125,777                            |

SOURCE: The Companies and Leichtman Research Group, Inc.

Traditional MVPDs have been losing subscribers for years and yet, in a market trending downwards, the Latino customer base is a notable bright spot. The largest MVPDs in the US, who collectively represent about 95% of the market, lost roughly 125,000 net subscribers in 2014 (see Table 8), which followed a loss of 95,000 net subscribers in 2013. Comcast, the industry leader, lost 194,000 subscribers alone. <sup>84</sup> In 2013, Comcast lost 305,000 subscribers. <sup>85</sup> Advertising revenue for television stations has also been dropping. In the first two months of

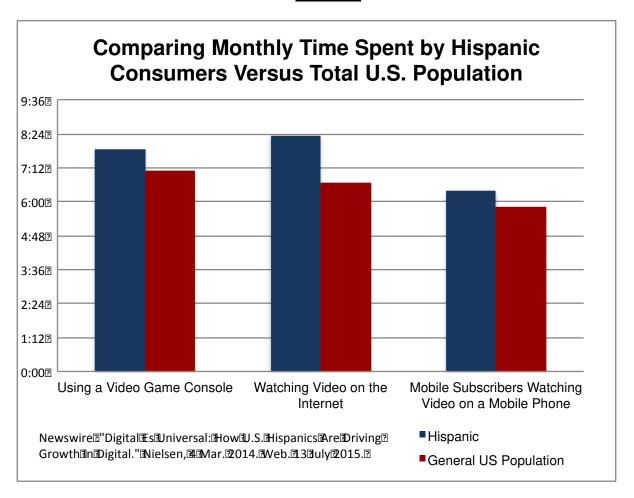
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<sup>&</sup>lt;sup>84</sup> Major Multi-Channel Video Providers Lost About 125,000 Subscribers in 2014. Leichtman Research Group | Press Releases. Leichtman Research Group, 3 Mar. 2014. Web. 13 July 2015.

<sup>&</sup>lt;sup>85</sup> Leichtman Research Group. Major Multi-Channel Video Providers Lost About 105,000 Subscribers in 2013. Leichtman Research Group. N.p., 14 Mar. 2014. Web. 12 July 2015.

2015 there was a 12% drop in total TV ad bookings, however, the two largest Spanish-language networks—Univision and Telemundo—saw their ad bookings increase by eleven percent. At a time when Comcast's pay-TV service is hemorrhaging subscribers, Telemundo's continued success is critical. This may explain why Comcast has been vigorously defending Telemundo in their carriage negotiations. It also makes clear that Comcast has a vested interest in maintaining the goodwill of its Latino customers, and this gives those customers leverage with which to ensure that Comcast supports their interests.

Figure 13



Latinos are not only critical to the future success of Comcast and the other MVPDs, they are also critically important to content producers, internet service providers, as well as other media and telecommunication firms. Latinos watch an hour and forty minutes more video on the Internet each month than does the general population. Each month, they also spend forty-five more minutes playing video games, and more than thirty more minutes watching video on their

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<sup>&</sup>lt;sup>86</sup> Bond, Shannon. "Hispanics Shine Bright amid US Television's Advertising Gloom." Financial Times [New York] 24 Mar. 2015: n. pag. Print.

mobile phones than does the general population (see Figure 13).<sup>87</sup> Many of the companies for whom this Latino consumption is critical are also part of conglomerates that include an MVPD. Comcast, Time Warner and AT&T, have subsidiaries that are ISPs, while Comcast and Time Warner are vertically integrated companies that produce the content that Latinos are consuming. This makes Latinos critically important to multiple facets of the media and telecommunications companies that they conduct business with.

The leverage minorities, and especially Latinos, can exert on the companies they purchase from is not only projected to continue growing, but also to do so at a rapid rate. Already twenty-one of the twenty-five largest counties in the US are counties in which minority groups together make up a majority of the population. <sup>88</sup> For MVPDs, telecommunication, and other media firms this is especially important since these counties are generally located in the largest media markets. Latinos are especially important to these firms. They are the fasted growing demographic in the US and are also younger than the general US population. <sup>89</sup> Subsequently, their purchasing power is expected to continue growing quickly with Latinos projected to have a buying power of \$1.7 trillion dollars by 2019. This figure is larger than that of both Asian and African-Americans. <sup>90</sup>

The Latino community has a greater appetite for media consumption than does the average consumer, but they also hold the providers of that media to a higher standard of social responsibility. In a study cited by Gil and Rosenberg, 43% of Hispanics stated that they "expect the brands...[they] buy to support social causes." For comparison, only 34% of non-Hispanic white respondents said the same. The Latino community's reaction to Donald Trump's inflammatory comments, and the subsequent pressure they exerted on his business partners in the media, highlights the importance that Latino consumers place in ensuring that the brands they support also support their interests. The same pressure that was applied to Trump's business interests should be applied to MVPDs like Comcast who are reliant on Latino consumption, but treat Latinos and the causes that directly affect them with veiled contempt by financially supporting racist politicians.

<sup>&</sup>lt;sup>87</sup> "Nielsen Newswire." *Digital Es Universal: How U.S. Hispanics Are Driving Growth In Digital.* Nielsen, 4 Mar. 2014. Web. 13 July 2015.

<sup>&</sup>lt;sup>88</sup> Gil, Monica and Rosenberg, Saul "The Multicultural Edge: Rising Super Consumers." *The Nielsen Company* (n.d.): n. pag. Web.

<sup>&</sup>lt;sup>89</sup> "Nielsen Newswire." *Digital Es Universal: How U.S. Hispanics Are Driving Growth In Digital.* Nielsen, 4 Mar. 2014. Web. 13 July 2015.

<sup>&</sup>lt;sup>90</sup> Gil, Monica and Rosenberg, Saul "The Multicultural Edge: Rising Super Consumers." *The Nielsen Company* (n.d.): n. pag. Web.

<sup>&</sup>lt;sup>91</sup> MRI General Attidudes, Scarborough USA+ 2014 Feb 2013-Mar 2014, in Gil and Rosenberg 2015.

# V. Comcast Buys Cover from Latino Advocacy Groups

Telecommunication and media firms understand that their Latino customers expect them to support causes they care about and these companies have been very vocal in highlighting their support for Latino causes that ostensibly fight for them. In March, 2015, David L. Cohen—who is both Comcast's Chief Diversity Officer and the head of their lobbying efforts—wrote an article for Comcast's corporate website in which he stated that, "Across the Comcast family of companies, we have a clear and proven track record of serving the Hispanic community." As this report has made clear this is a dubious claim. Comcast does make significant contributions to advocacy groups, but their relationship with these groups is transactional. In exchange for their financial support, Comcast expects that these groups will provide cover for their campaign contributions to anti-Latino and racist policy makers and their silencing of independent Latino voices through reckless corporate practices.

Comcast and Time Warner, as well as their subsidiaries, do make significant donations to Latino advocacy organizations and to groups advocating for other minority communities. On their website, Time Warner Cable proudly claims that the company, "as part of its commitment to diversity and inclusion...[is] sponsoring the annual conferences for the League of United Latin American Citizens (LULAC), National Council of La Raza (NCLR) and National Urban League (NUL)."93 Comcast's charitable foundation has, according to the New York Times, provided charities and nonprofits—particularly groups supporting the Latino, Asian, and African-American communities—with "\$140 million in grants since its inception and more than \$3.2 billion since 2001 when all kinds of corporate support (cash and in-kind support like free public service announcements) are included. "94 NCLR has received particularly strong support from Comcast. On that company's website they announce they work "closely with...[NCLR] help address the needs of Hispanic communities across the country." To achieve this goal, "Comcast provides NCLR with cash and in-kind contributions to support the organization's priorities. In 2011, Comcast ran more than 200,000 public service announcements for \$3 million. Comcast also sponsored and broadcast the ALMA Awards, an NCLR production. The Comcast Foundation also underwrites a development program for local NCLR affiliates."95

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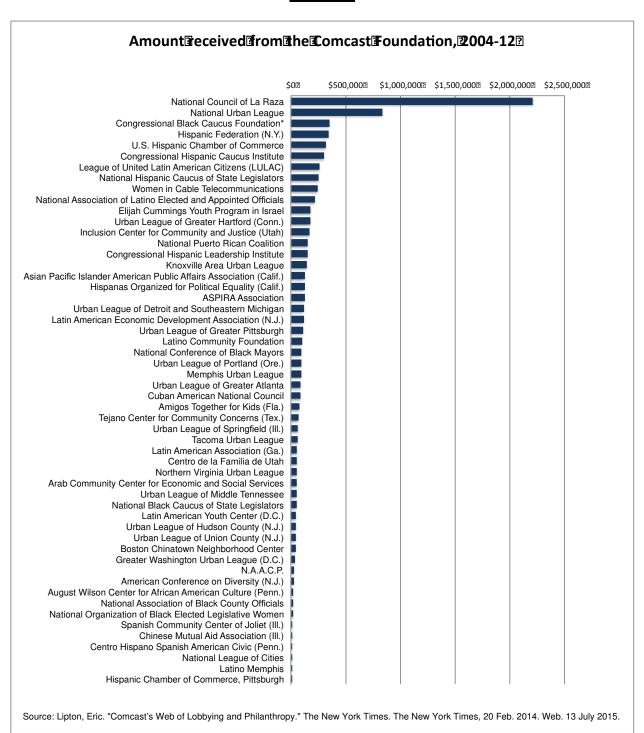
<sup>&</sup>lt;sup>92</sup> "Helping Latino Families Achieve the American Dream." Comcast.com. Comcast NBCUniversal LLC, n.d. Web. 13 July 2015.

<sup>&</sup>lt;sup>93</sup> Time Warner Cable Enterprises LLC. Time Warner Cable Continues Commitment To Diversity And Inclusion With Sponsorships Of Lulac National Convention, NCLR Annual Conference And National Urban League Conference. New York: Time Warner Cable, 2014. Print.

<sup>&</sup>lt;sup>94</sup> Lipton, Eric. "Comcast's Web of Lobbying and Philanthropy." The New York Times. The New York Times, 20 Feb. 2014. Web. 13 July 2015.

<sup>&</sup>lt;sup>95</sup> "Helping Latino Families Achieve the American Dream." *Comcast.com*. Comcast NBCUniversal LLC, n.d. Web. 13 July 2015.

Figure 14



On the surface this level of support for the causes Latinos care about seems impressive, but a deeper analysis reveals that Comcast's support is at best self-serving and at worst destructive. In the lead-up to Comcast's acquisition of NBC-Universal—the parent company of the popular Spanish language network Telemundo—54 different minority advocacy groups that wrote letters to the FCC in support of the deal had received financial support from Comcast, according to a joint study by the Center for Public Integrity and the New York Times. A February 2014 article in the New York Times describing that analysis found that those groups had received at least \$8.6 million in total between 2004 and 2012. NCLR alone received more than \$2.2 million during that period (see figure 14).

Executives at both Time Warner Cable and Comcast are also involved in the administration of Latino advocacy groups, as well as those representing other minority communities. In terms of involvement in organizations that advocate for Latinos, Time Warner executives sit on the board of the Friends of the National Museum of the American Latino, on the [League of United Latin American Citizens] Corporate Alliance, [and] the Advisory Committee to the Minority Telecommunications Council." Comcast's David L. Cohen sits on the Corporate Advisory Board of the National Council of La Raza, which is deeply troubling in light of his control over Comcast's lobbying efforts, the comments of his fellow lobbyist, and the role Comcast has played in undermining immigration reform and financial support of racist politicians.

Comcast's acquisition of NBC-Universal has in many ways damaged the causes Latino's care about and in light that advocacy groups who were funded by Comcast backed the acquisition, Comcast's support for those groups can also be understood as having hurt causes that are important to Latinos. Comcast's co-option of advocacy groups to the detriment of the community that these groups are tasked with supporting has been acknowledged by one of Comcast's own lobbyists. Speaking anonymously, that lobbyist told the New York Times that, "If you have a company like Comcast that has been with...[the advocacy groups] for a long time and continues to support them, they will go to bat for...[Comcast]...even if it means they have become pawns."98

<sup>&</sup>lt;sup>96</sup> Lipton, Eric. "Comcast's Web of Lobbying and Philanthropy." The New York Times. The New York Times, 20 Feb. 2014. Web. 13 July 2015.

<sup>&</sup>lt;sup>97</sup> Time Warner Cable Enterprises LLC. Delivering Diversity and Inclusion. N.p., 2012. Web. 13 July 2015.

<sup>&</sup>lt;sup>98</sup> Lipton, Eric. "Comcast's Web of Lobbying and Philanthropy." *The New York Times*. The New York Times, 20 Feb. 2014. Web. 13 July 2015.

### VI. Conclusion/Recommendations:

- a. Latino leaders should use their social media and political clout to demand that Latino advocacy groups not support companies that donate to the electoral campaigns of anti-immigrant politicians.
- b. Latino and immigrant rights leaders should act on their belief that the companies they support with their business should support the causes they care about.
   Strategic boycotts should be launched on leading companies that donate to staunchly anti-immigrant politicians
- c. Latino and immigrant rights leaders should demand that large media companies not use their market and corporate power to limit access of multiple Spanish language and minority owned media companies which can impede the flow of information to Latino community, provide Latino's with subpar media products, and silence media exposure to Latino issues. Such practices stymie the momentum for immigration reform and strengthen opponents.
- d. Latino and immigrant rights leaders should demand that corporate media and tech business strategies change to promote Latino owned media expansion, embracing positive voices of the Latino community and in general providing access to affirmatively accurate information on immigrants.

Appendix A:

Comcast Contributions to Current Senators rated 100% by FAIR in the 2009-2014 Cycle

| Senator                             | State      | Comcast's Contribution |
|-------------------------------------|------------|------------------------|
| Richard Shelby                      | AL         | \$10,000               |
| Jeff Sessions III                   | AL         | \$10,000               |
| Cory Gardner (While in the House)   | CO         | \$15,350               |
| Johnny Isakson                      | GA         | \$11,750               |
| Chuck Grassley                      | IA         | \$14,000               |
| Mike Crapo                          | ID         | \$10,000               |
| James Risch                         | <b>I</b> D | \$7,000                |
| Pat Roberts                         | KS         | \$13,000               |
| Mitch McConnell                     | KY         | \$27,850               |
| Roy Blunt                           | MO         | \$16,400               |
| Thad Cochran                        | MS         | \$15,500               |
| Richard Burr                        | NC         | \$10,000               |
| Deb Fischer                         | NE         | \$9,000                |
| Jim Inhofe                          | OK         | \$10,000               |
| Pat Toomey                          | PA         | \$49,600               |
| Tim Scott                           | SC         | \$24,500               |
| John Thune                          | SD         | \$11,500               |
| John Cornyn                         | TX         | \$20,300               |
| Shelley Capito (While in the House) | WV         | \$11,500               |
| Mike Enzi                           | WY         | \$19,200               |
| John Barrasso                       | WY         | \$10,000               |

Source: OpenSecrets.org

#### **Appendix B:**

# Anti-immigrant quotes from policy makers who receive support from Comcast

Steve King

Republican Congressman (IOWA)

Received political contributions from Comcast for \$8,500 between 2012-2014

"They weigh 130 pounds and they've got calves the size of cantaloupes because they're hauling 75 pounds of marijuana across the desert."

YouTube Video:

https://www.youtube.com/watch?v=V4UJmJ3FA5E

Following quote is on this article:

http://www.newsmax.com/Newsfront/king-norquist-attacks-immigration/2013/07/18/id/515882/

"...and they understand what happens in a civilization if you reward people for breaking the law, you'll get more law breakers"

Newsmax Video:

http://www.newsmax.com/Newsfront/king-norquist-attacks-immigration/2013/07/18/id/515882/

"...they have long been for some type of open borders; they call it comprehensive immigration reform."

Newsmax Video:

http://www.newsmax.com/Newsfront/king-norquist-attacks-immigration/2013/07/18/id/515882/

John Cornyn

Republican Senator (TEXAS)

Received political contributions from Comcast for \$20,300 in 2014

"Disproportionate negative consequences to illegal immigration, this is a sure way to continue to reward the criminal organizations that get rich on the status quo."

http://www.c-span.org/video/?322846-5/senators-durbin-cornyn-immigration

"...the 60,000 unaccompanied children that came from Central America that were part of this humanitarian crisis we had last summer? Well, they continue to come and the criminal organizations that continue to profit from this moneymaking operation,

http://www.c-span.org/video/?322846-5/senators-durbin-cornyn-immigration

"I asked the president to think about the human cost of encouraging another massive wave of illegal immigration."

http://www.c-span.org/video/?322846-5/senators-durbin-cornyn-immigration

Jeff Flake

Republican Senator (ARIZONA)

Received political contributions from Comcast for \$2,250 between 2006-2012

"We shouldn't allow those who have come here illegally, we shouldn't allow them to jump in line, that's kind of what was done in '86, it shouldn't be allowed here. That's the definition I believe, of an amnesty."

"There has to be a penalty, or it'd be an amnesty, and we're not going to do an amnesty.

Following quote comes from this article:

http://video.foxnews.com/v/3666822147001/sen-jeff-flake-on-immigration-crisis/?#sp=show-clips

"...typically they just don't show up for any court hearing and so they're here and the smugglers know that and the families in Central America know that".

Mike Lee

Republican Senator (UTAH)

Received political contributions from Comcast for \$8,500 between 2009-2014

"Coyotes and others who bring people illegally across the border are well aware of these restrictions. They'll make sure that illegal immigrants come across these very same tracts of land, in order to get into the United States illegally, and they leave in their wake, in some cases a trail of destruction, or at least a trail of litter."

 $\frac{http://www.huffingtonpost.com/2013/06/20/mike-lee-undocumented-immigrants-litter\_n\_3474970.html$ 

"If we enforce laws more faithfully," Lee said, "jobs will dry up and they will go home."

Kelly Ayote

Republican Senator (NEW HAMPSHIRE)

Received political contributions from Comcast for \$1,250 between 2012-2014

"Stop the dangerous flow of illegal immigrants into our country."

"The federal government is falling down in its fundamental duty, add that includes securing our borders."

"When you think about the strain on our education system and our healthcare system, as a result of our failure to enforce our immigration laws, it's not only wrong for our safety, but it's wrong in terms of the strain on our system and wrong for the people who are here to play by the rules."

John Boehner

61st and current Speaker of the United States House of Representatives received political contributions from Comcast for \$107,775 in 2014

"We're not giving the president a blank check."

"We've got a humanitarian crisis on the border, and that has to be dealt with. But the president clearly isn't going to deal with it on his own, even though he has the authority to deal with it on his own."

"We are dealing with a president who has ignored the people, has ignored the Constitution, and even his own past statements," Boehner said. "In fact, on at least 22 occasions he said didn't have the authority to do exactly what he did."

Orrin Hatch

Republican Senator (UTAH)

Received political contributions from Comcast for \$30,000 between 2009-2014

"They are bringing criminals and slave labor into the country, they're bringing drugs ..."

"They're bringing a lot of people into the country, even though they have come here illegally."