

New Committee Study Finds No Relationship Between Common Ownership and Prices

The [Committee on Capital Markets Regulation](#) (the “Committee”) is a research and advocacy organization with 42 members drawn from the finance, business, law, accounting and academic communities.

The Committee has conducted a major new study on the impact of “common ownership” on consumer prices and found **no link** between common ownership and consumer prices.

The Committee’s new study is the first to examine the impact that common ownership has on consumer prices across 52 major industries in the United States, both on an aggregated and individual basis, over a 24-year period (2000-2023). The 52 industries collectively account for a significant majority of private sector U.S. GDP (approximately 63-75%) with the remainder of industries excluded due to a lack of price data. The Committee’s study therefore provides the most comprehensive and up-to-date analysis possible.

The Committee’s new study finds no statistically significant positive relationship between common ownership and prices in any of the 52 industries studied or in the aggregate. These findings therefore strongly refute claims that common ownership increase consumer prices.

Common ownership refers to a single investor owning equity in competing firms. All diversified investment strategies necessarily involve common ownership, including index investing, which is the lowest cost strategy for investors.

The “common ownership hypothesis” is an academic theory that firms with common owners have a reduced incentive to compete with each other and instead seek to maximize the profits of their common owners. The hypothesis claims that reduced competition results in higher consumer prices. Proponents of this hypothesis have put forward policy reforms that would involve restricting investors from diversifying their portfolios, which would pose major harms for U.S. investors and businesses.