

Break Up Facebook

& while we're at it, Google, Apple & Amazon too

America's Gilded Age of the late 19th century began with a raft of innovations — railroads, steel production, oil extraction — but culminated in mammoth trusts owned by “robber barons” who used their wealth and power to drive out competitors and corrupt American politics. America responded to the Gilded Age's abuses of corporate power with antitrust laws that allowed the government to break up the largest concentrations. President Teddy Roosevelt went after the **Northern Securities Company**, a giant railroad trust financed by **J.P. Morgan** and **John D. Rockefeller**, the nation's two most powerful businessmen. The U.S. Supreme Court backed Roosevelt and ordered the company dismantled. In 1911, President William Howard Taft broke up Rockefeller's sprawling **Standard Oil** empire.

We're now in a second Gilded Age — ushered in by semiconductors, software and the internet — that has spawned a handful of giant high-tech companies. **Facebook** and **Google** dominate advertising. They're the first stops for many Americans seeking news. **Apple** dominates smartphones and laptop computers. **Amazon** is now the first stop for a third of all American consumers seeking to buy anything.

This consolidation at the heart of the American economy creates two big problems. First, it stifles innovation. Contrary to the conventional view of a U.S. economy bubbling with inventive small companies, the rate at which new job-creating businesses have formed in the United States has been halved since 2004, according to the census. A major culprit: Big tech's sweeping patents, data, growing networks, and dominant platforms have become formidable barriers to new entrants.

The second problem is political. These enormous concentrations of economic power generate political clout that's easily abused, as the New York Times investigation of Facebook reveals. How long will it be before Facebook uses its own data and platform against critics? Or before potential critics are silenced even by the possibility?

It is time to use antitrust again. We should break up the high-tech behemoths, or at least require that they make their proprietary technology and data publicly available and share their platforms with smaller competitors. There would be little cost to the



economy, because these giant firms rely on innovation rather than economies of scale — and, as noted, they're likely to be impeding innovation overall.

Is this politically feasible? Unlike the Teddy Roosevelt Republicans, Trump and his enablers in Congress have shown little appetite for antitrust enforcement. But Democrats have shown no greater appetite — especially when it comes to Big Tech.

In 2012, the staff of the Federal Trade Commission's bureau of competition submitted to the commissioners a 160-page analysis of Google's dominance in the search and related advertising markets, and recommended suing Google for conduct that “has resulted — and will result — in real harm to consumers and to innovation.” But the commissioners, most of them Democratic appointees, chose not to pursue the case.

The Democrats' new “better deal” platform, which they unveiled a few months before the midterm elections, included a proposal to attack corporate monopolies in industries as wide-ranging as airlines, eyeglasses and beer. But, notably, the proposal didn't mention Big Tech. Maybe the Democrats are reluctant to attack Big Tech because the industry has directed so much political funding to Democrats. In the 2018 midterms, the largest recipient of Big Tech's largesse, ActBlue, a fundraising platform for

progressive candidates, collected nearly \$1 billion, according to the Center for Responsive Politics.

As the Times investigation of Facebook makes clear, political power can't be separated from economic power. Antitrust law was viewed as a means of preventing giant corporations from undermining democracy. We are now in a second Gilded Age, similar to the first when Congress enacted Sherman's law. As then, giant firms at the center of the American economy are distorting the market and our politics. We must resurrect antitrust.

-Robert Reich
reich.org

Amnesty International calls out Google

Google's plans to launch a censored search app in China could irreparably damage internet users' trust in the tech company, **Amnesty International** said last month, warning that going ahead with the app would set a dangerous precedent for tech companies enabling rights abuses by governments.

Google should be fighting for an internet where information is freely accessible to everyone, not backing the Chinese government's dystopian alternative. The organization has launched a global petition calling on Google CEO Sundar Pichai to drop the app, which is codenamed Project Dragonfly and would blacklist search terms like “human rights” and “Tiananmen Crackdown.”

Following a public outcry from Google's own workforce, Amnesty International is reaching out to the company's staff through protests outside Google offices and targeted messages on LinkedIn calling on them to sign the petition. A spoof promotional video offering Google staff the chance to participate in Project Dragonfly ends with a twist on Google's motto: “Don't be evil — unless it's profitable.”

“This is a watershed moment for Google. As the world's number one search engine, it should be fighting for an internet where information is freely accessible to everyone, not backing the Chinese government's dystopian alternative,” said Joe Westby, Amnesty International's Researcher on Technology and Human Rights.

“Many of Google's own staff have spoken out against these plans, unwilling to play a role in the Chinese government's manipulation of information and persecution of dissidents. Their courageous and principled stance puts Google's leadership to shame. Today we are standing with Google staff and asking them to join us in calling on Sundar Pichai to drop Project Dragonfly and reaffirm Google's commitment to human rights.”

The Chinese government runs one of the world's most repressive internet censorship and surveillance regimes.

In 2010 Google publicly exited the search market in China, citing restrictions to freedom of expression online. Since then, the Chinese government has intensified its crackdown and it is unclear how Google would safeguard human rights in this environment.

Leaked internal documents obtained by **The Intercept** show that the prototype app that Google built under Project Dragonfly would comply with China's censorship rules by automatically identifying and filtering websites blocked in China and “blacklisting sensitive queries”. According to The Intercept, the blacklist that Google itself developed for the project includes the terms “student protest” and “Nobel Prize” in Chinese, as well as phrases that imply criticism of China's President Xi Jinping.

Google would also be compelled to cooperate with Chinese censors in cracking down on posts related to developing social issues, such as the Chinese government's response to the growing #MeToo movement and the Chinese government's internment of ethnic minorities.

The prototype app would also make it easier for authorities to track individual users' searches, which means there is a real danger that Google would be helping the Chinese government to arrest or imprison people. Chinese laws and regulations force tech companies to cooperate fully with inspections by public security officials.

Launching Project Dragonfly would also risk legitimizing China's vision of the internet, which gives governments absolute control over what information is available to the population and the power to freely access all online data about their citizens. A recent report by Freedom House found that China is actively exporting its model of internet control around the world by conducting large-scale trainings for foreign officials, providing technology to other governments and forcing international companies to follow its rules even outside China.

In response to criticism over Project Dragonfly, Google has said it is committed to respecting the fundamental rights of its users. However, the company has failed to explain how it would square this commitment with a project that appears to accept censorship and surveillance. The company's leadership has also tried to shrug off criticism by saying it has simply been exploring the possibility

of re-entering the Chinese search market and that it does not know whether it “would or could” launch such a product. However leaked comments by a senior Google manager suggest that before the project was made public, the company had been working to have Project Dragonfly ready to launch as soon as possible.

“Google needs to stop equivocating and make a decision. Will it defend a free and open internet for people globally? Or will it help create a world where some people in some countries are shut out from the benefits of the internet and routinely have their rights undermined online?” said Joe Westby.

“If Google is happy to capitulate to the Chinese government's draconian rules on censorship, what's to stop it cooperating with other repressive governments who control the flow of information and keep tabs on their citizens? As a market leader, Google knows its actions will set a precedent for other tech companies. Sundar Pichai must do the right thing and drop Project Dragonfly for good.”

Google staff published an open letter in support of Amnesty International's campaign for Google to #Drop Dragonfly. Part of the letter reads:

“Many of us accepted employment at Google with the company's values in mind, including its previous position on Chinese censorship and surveillance, and an understanding that Google was a company willing to place its values above its profits. After a year of disappointments including Project Maven, Dragonfly, and Google's support for abusers, we no longer believe this is the case. This is why we're taking a stand.”

In late August, Amnesty and 13 other leading human rights groups wrote to Google, saying that they believed the company would be “directly contributing to, or complicit in, human rights violations” if it went ahead with the plan. Sources said that Google recently responded to the groups with an “unsatisfactory” letter that did not address their concerns.



amnesty.org
theintercept.com