

## ON TECH

## What Congress Wants From Big Tech

House lawmakers have gotten serious. A package of bills poses existential threats to the tech giants.



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First there was so much shouting. And now there is action. (Maybe.)

The bad mood about the power of Big Tech companies has a new and perhaps surprising development: House lawmakers wrote a package of proposed legislation that, if it all passes — a very big “if” — could fundamentally change Google, Facebook, Amazon and Apple as we know them.

I asked my colleague Cecilia Kang to walk us through the bills, and how we got here.

**Shira: What does this legislation propose to do?**

**Cecilia:** There are six bills that in different ways attempt to limit the power of big tech companies. One bill to provide more funding to government agencies that keep a check on corporations isn't that contentious.

**Tell me about the contentious ones.**

One of the proposals is being called the “Amazon bill” because it wants to limit companies that own a platform, or a hub for multiple companies to sell their goods or services, from also selling its own products on that platform. That is what Amazon does. It might force a breakup of Amazon.

Another would make it illegal for companies to give preference to their products. That could mean that Google couldn't show YouTube videos or Google shopping listings as prominently in its search results.

Another bill would make it harder for companies to acquire start-ups. Under that law, Facebook might not have been permitted to buy Instagram and WhatsApp.

## **How did so many lawmakers, Republicans and Democrats come to believe that the tech giants needed to fundamentally change?**

There was a turning point when Russians abused Facebook, Google and Twitter to try to divide American voters around the 2016 election. Politicians, fairly or unfairly, felt animus against all tech companies.

That helped to cement a mostly bipartisan consensus — although not always for shared reasons — that Washington needed to be less hands-off with technology companies. And antitrust law is now perceived as a way to address a set of perceived problems with tech, including for some Republicans perceptions of bias against conservative voices and views.

## **Did Big Tech companies mess up and create too many enemies in Washington, or was it inevitable that they would be targeted for new laws and regulation?**

Both. From my conversations with lobbyists at big tech companies, there's some regret that the companies misjudged how much good will they had with politicians and regulators. And tech companies' Washington policy offices may not have fully articulated to their bosses on the West Coast how much lawmakers had turned against Big Tech.

But look, a handful of technology companies are the most valuable companies in the country and influence the economy, labor practices, how people find information and the ways we live. That exposes the companies to scrutiny.

## **How are the companies responding to these bills?**

Their central message is that lawmakers risk creating far more problems than they might solve. Apple says, for example, that people will be exposed to sketchy apps if Congress requires the company to let people download iPhone apps outside its official store. Lobbyists have said that Amazon might be forced to stop Prime delivery for some products.

## **Is there a united front among Google, Facebook, Amazon and Apple?**

Not necessarily. There are some disagreements about policy. Facebook seems open to one of the proposals that would make it easier for people to take their data from one app to a competitor. Google is against it, and says it exposes people to scammers.

There's also visceral anger. Quite a few tech companies, not just the biggest ones, resent Facebook for what they believe the company has done to tarnish the entire industry. A lobbyist told me that it's difficult for Facebook to push back against antitrust legislation after many scandals. Apple, which is at odds with Facebook in almost every way, is effectively lobbying lawmakers on behalf of it and Facebook.

## **Sorry for the cynicism, but what if Big Tech just waited for divisions and fighting among lawmakers to kill the legislation?**

Are you sure you haven't worked in lobbying?! That's a classic strategy and it's not an illogical bet that Congress won't get its act together. But these antitrust bills, especially the ones that make acquisitions more difficult or would force companies to pull apart their businesses, are existential threats to Big Tech. The companies have to fight them.

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## Before we go ...

- **A middle class retirement account, at \$5 billion:** ProPublica examines how ultrawealthy Americans including Peter Thiel, a prominent investor in young tech companies, accumulated multi-billion-dollar, tax-free fortunes in what are supposed to be retirement accounts for those with far more modest savings.
- **Can e-commerce giants help India's shopkeepers?** The 20 million small stores in India known as kiranas dominate shopping in the country. Bloomberg News reports that Amazon and the Walmart-owned e-commerce site Flipkart are teaming up with the shops — including providing them with inventory management apps and using the stores to ship deliveries — to sell more merchandise in Indian communities.
- **Dr. Reddit?** Wired writes that a Reddit forum called DiagnoseMe, where people ask strangers for medical advice, is not as bad as it sounds. DiagnoseMe is quite good at policing itself and encourages people to advocate for themselves in the sometimes hostile health care system.

## Hugs to this

Why did mom duck and her ducklings cross the road? To go to a bagel shop. (They later made their way safely to a park.)

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