



# Facebook

Facebook was founded in 2004 by Mark Zuckerberg, Eduardo Saverin, Dustin Moskovitz, and Chris Hughes. It is a free access social networking platform with most of its revenue coming from advertisements. It has more than 2 billion users, making it comfortably the world's largest social media platform

## Products:

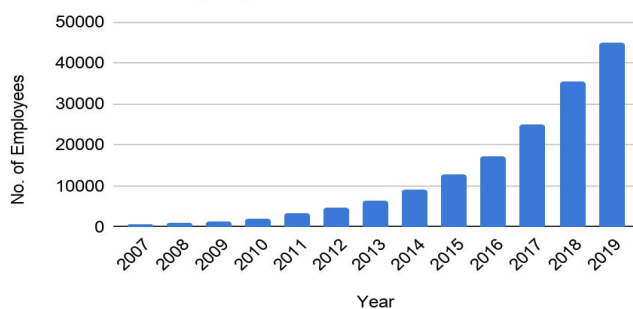
The most widely used products of Facebook are Facebook, Messenger, Instagram and WhatsApp which includes a variety of features like live streaming to online payments. Facebook also provides various developer and business tools that help integrate with Facebook like Oculus, Spark AR, Facebook Shops, Marketplace etc.

## Impact of COVID-19

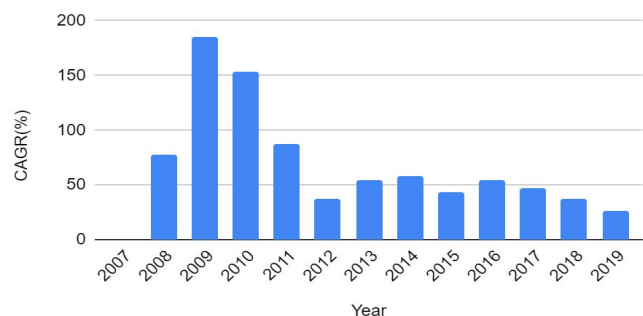
Facebook experienced a significant reduction in the demand for advertising, as well as a related decline in the pricing of ads. Advertising revenue has been approximately flat compared to the same period a year ago, down from the 17% year-over-year growth in the first quarter of 2020

Year	No. of Employees	Employee Growth Rate (in%)	Revenue (in Million USD)	CAGR (%)
2007	450		153	
2008	850	88.89	272	77.78
2009	1218	43.29	777	185.66
2010	2127	74.63	1974	154.05
2011	3200	50.45	3711	87.99
2012	4619	44.34	5089	37.13
2013	6337	37.19	7872	54.69
2014	9199	45.16	12466	58.36
2015	12691	37.96	17928	43.82
2016	17048	34.33	27638	54.16
2017	25105	47.26	40653	47.09
2018	35587	41.75	55838	37.35
2019	44942	26.29	70697	26.61

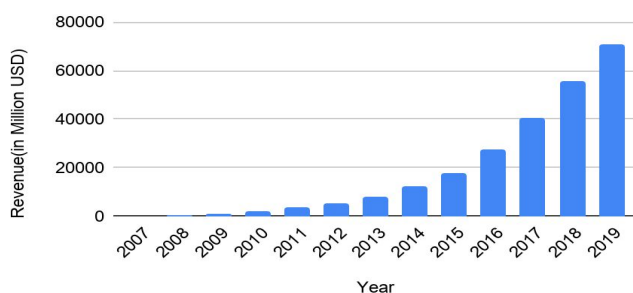
Number of Employees in Facebook



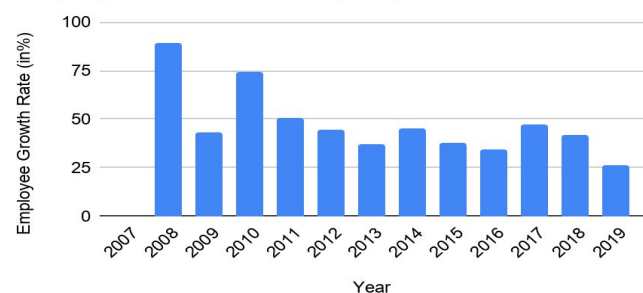
CAGR of Facebook



Annual Revenue of Facebook



Employee Growth Rate (in%)





# Amazon

Amazon.com, Inc., is an American multinational technology company based in Seattle, Washington, which focuses on e-commerce, cloud computing, digital streaming, and artificial intelligence. Amazon was founded by Jeff Bezos in Bellevue, Washington, on July 5, 1994. The company started as an online marketplace for books but expanded to sell electronics, software, video games, apparel, furniture, food, toys, and jewellery.

## Products and services:

Amazon Fresh, Amazon Prime, Amazon Web Services, Alexa, Appstore, Amazon, Drive, Echo, Kindle, Fire tablets, Fire TV, Video, Kindle Store, Music, Music Unlimited, Amazon Digital Game Store, Amazon Studios, Amazon Wireless.

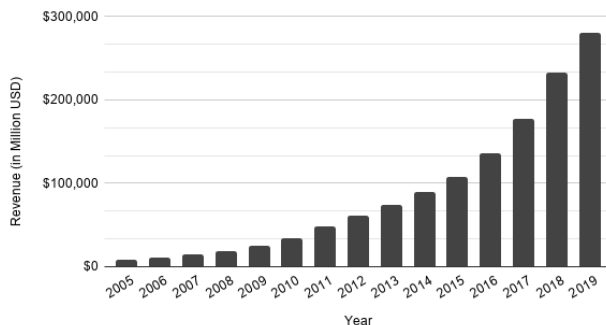
## Impact of COVID – 19:

- Company's net sales grew up by 37% YoY worldwide in Q3 2020, totalling \$96.1 billion.
- Sales of subscription services grew by 33% YoY and Amazon Web Services (AWS) grew by 29%
- Total profits were up by 200% to \$6.3 billion compared to the same quarter the year before

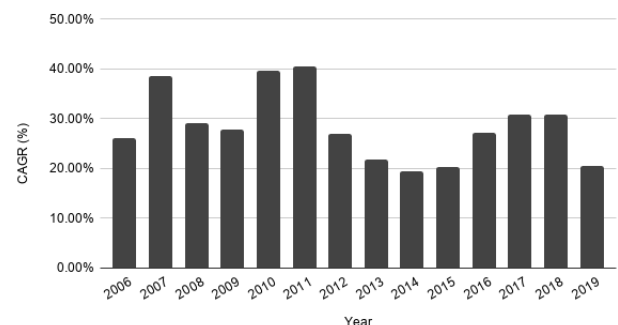
Year ended	Revenue (Millions of USD)	CAGR (%)
2005	\$8,490	
2006	\$10,711	26.16%
2007	\$14,835	38.50%
2008	\$19,166	29.19%
2009	\$24,509	27.88%
2010	\$34,204	39.56%
2011	\$48,077	40.56%
2012	\$61,093	27.07%
2013	\$74,452	21.87%
2014	\$88,988	19.52%
2015	\$1,07,006	20.25%
2016	\$1,35,987	27.08%
2017	\$1,77,866	30.80%
2018	\$2,32,887	30.93%
2019	\$2,80,522	20.45%

Year ended	Number of employees
2005	12,000
2006	13,900
2007	17,000
2008	20,700
2009	24,300
2010	33,700
2011	56,200
2012	88,400
2013	1,17,300
2014	1,54,100
2015	2,30,800
2016	3,41,400
2017	5,66,000
2018	6,47,500
2019	7,98,000

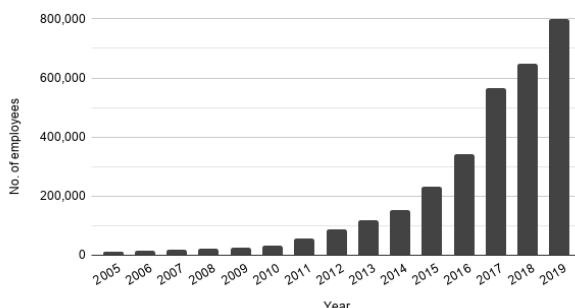
Annual Revenue of Amazon



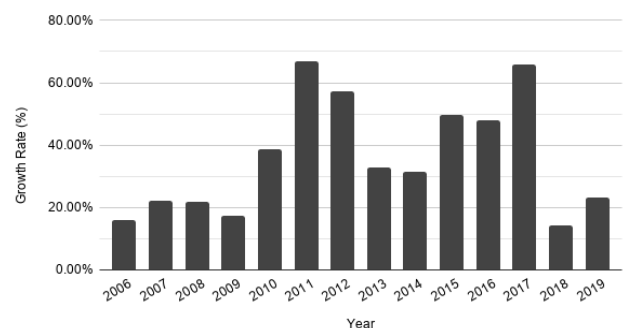
CAGR of Amazon



Number of Employees



Employee Growth Rate





# Netflix

Netflix was founded in 1997 by Reed Hastings and Marc Randolph in Scotts Valley, California. Initially, they offered rental service of DVDs by mail. In 2007, the company started a streaming service and it is currently the world's leading online streaming service for movies and web series.

## Products:

- Netflix is best known for its recommendation algorithm. It suggests movies and shows to users based on their past viewing history, ratings and location.
- It is available on mobiles, tablets, laptops and Smart TVs.
- It introduced the download feature in 2016 for offline and on-the-go viewing.
- Interactive storytelling and the Skip Intro button give users flexibility to tailor their viewing experience.

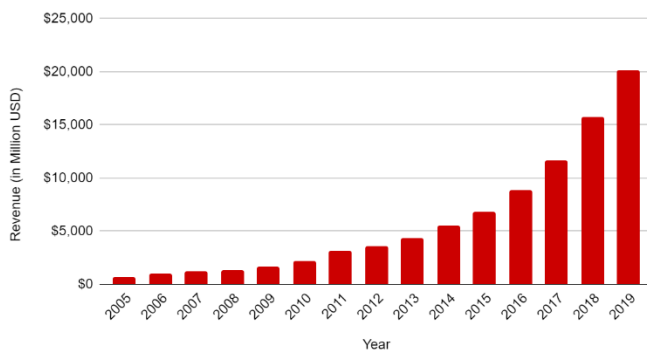
Netflix is available in 30 languages in over 190 countries. It is not available in China, North Korea, Crimea and Syria.

**COVID-19 Impact:** Netflix added 15.77 million subscribers in Q1 2020 and 10.09 million in Q2. This was the biggest growth spurt in its history as people turned to movies for entertainment during lockdown. As restrictions started easing, there were 2.2 million new paid subscribers in Q3, its smallest quarterly increase since 2016.

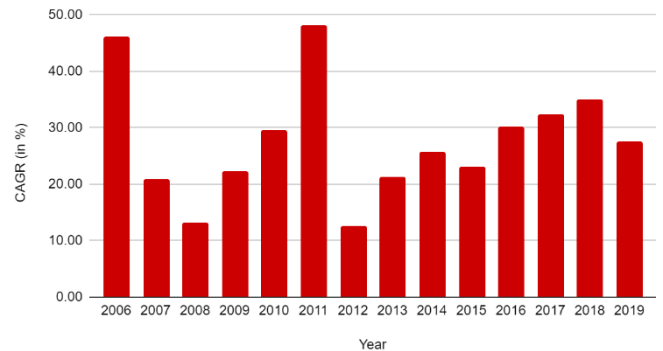
Year ended	Revenue (Million USD)	CAGR (in %)
2005	\$682	
2006	\$997	46.19
2007	\$1,205	20.86
2008	\$1,365	13.28
2009	\$1,670	22.34
2010	\$2,163	29.52
2011	\$3,205	48.17
2012	\$3,609	12.61
2013	\$4,375	21.22
2014	\$5,505	25.83
2015	\$6,780	23.16
2016	\$8,831	30.25
2017	\$11,693	32.41
2018	\$15,794	35.07
2019	\$20,156	27.62

Year ended	No. of Employees	Growth Rate (in %)
2005	985	
2006	1,300	31.98
2007	1,542	18.62
2008	1,644	6.61
2009	1,883	14.54
2010	2,180	15.77
2011	2,348	7.71
2012	2,045	-12.90
2013	2,022	-1.12
2014	2,189	8.26
2015	3,700	69.03
2016	4,700	27.03
2017	5,500	17.02
2018	7,300	32.73
2019	8,600	17.81

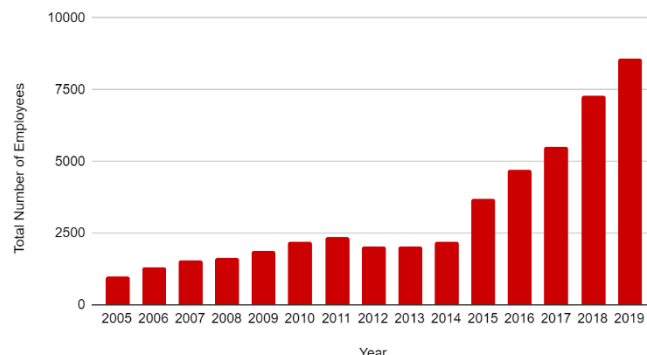
Annual Revenue of Netflix



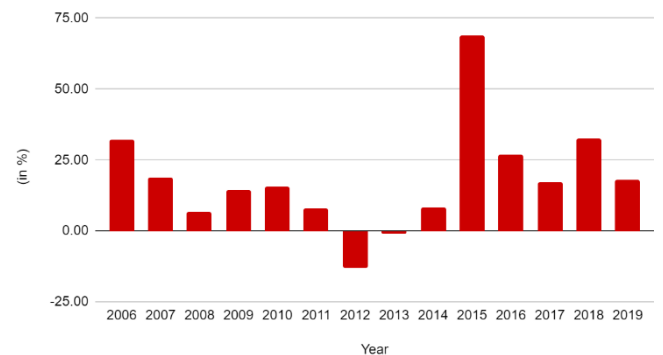
CAGR of Netflix



Number of Employees in Netflix



Employee Growth Rate (in %)



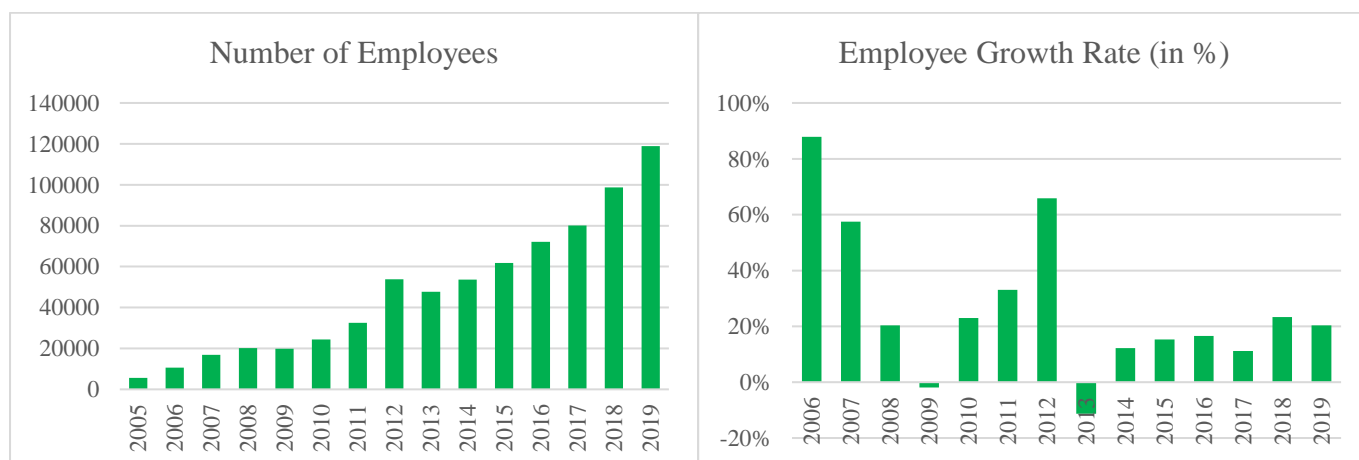
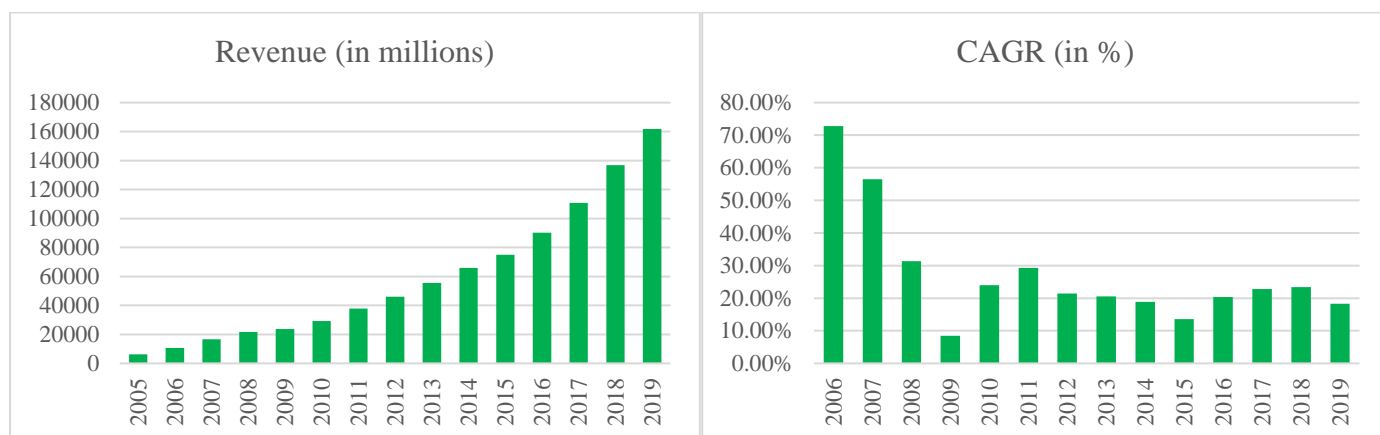
Source: <https://www.macrotrends.net/stocks/charts/NFLX/netflix/gross-profit>  
<https://www.forbes.com/sites/joewalsh/2020/10/20/netflix-subscriber-growth-slows-after-surg-ing-during-pandemic/?sh=19104505244e>



# Google

Founded in 1996 by Larry Page and Sergey Brin, Google is an American Multinational Company that has become synonymous with web search. Over the years, it has expanded into various other software and hardware domains.

<b>Products:</b> <ul style="list-style-type: none"> <li>• Search Engine</li> <li>• Advertising</li> <li>• Web services such as Gmail, Calendar, Maps, Drive, Docs, Sheets, Slides, Photos, Keep, Translate, YouTube, Duo, Classroom, Stadia, etc.</li> <li>• Software development such as Android, Chrome and Chrome OS</li> </ul> <p>It has hardware offerings such as the Pixel line, Chromecast, Google Home, Google WiFi. With plans to venture into the augmented reality domain it launched the Google Glass back in 2015.</p>	Year ended	Revenue (in millions)	CAGR (in %)	Year ended	Number of Employees
	2005	6138.56		2005	5680
<p>Data is available from 2005 onwards as company became publicly listed in Q4, 2004.</p>	2006	10604.92	72.76%	2006	10674
	2007	16593.99	56.47%	2007	16805
	2008	21796	31.35%	2008	20222
	2009	23651	8.51%	2009	19835
	2010	29321	23.97%	2010	24400
	2011	37905	29.28%	2011	32467
	2012	46039	21.46%	2012	53861
	2013	55519	20.59%	2013	47756
	2014	66001	18.88%	2014	53600
	2015	74989	13.62%	2015	61814
	2016	90272	20.38%	2016	72053
	2017	1,10,855	22.80%	2017	80110
	2018	1,36,819	23.42%	2018	98771
	2019	1,61,857	18.30%	2019	118899



Impact of COVID -19 :			
(growth in revenue from same Q in 2019)			
Q1	Q2	Q3	
13.26%	-1.66%	14.01%	



# Comparison of Revenues and Growth with Nations

## Revenue Trends in the Past Decade:

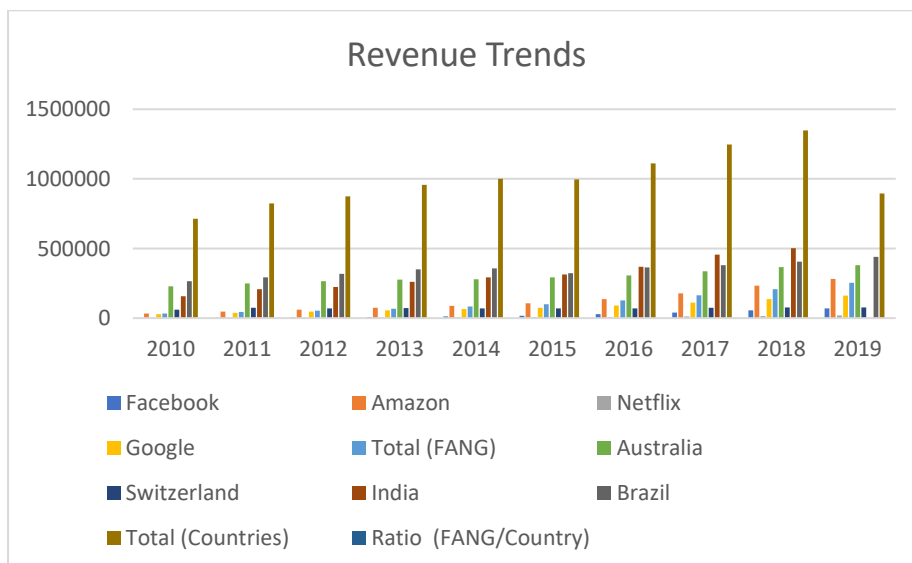
						Developed Countries		Developing Countries	
						Annual Revenue (in Million USD)			
Year	Facebook	Amazon	Netflix	Google	Total (FANG)	Australia	Switzerland	India	Brazil
2010	1974	34,204	2,163	29321	33458	2,28,348.70	61491.23	1,58,199.23	266380
2011	3711	48,077	3,205	37905	44821	2,49,115.46	74069.66	2,08,838.80	291840
2012	5089	61,093	3,609	46039	54737	2,65,489.59	68914.19	2,22,878.29	317490
2013	7872	74,452	4,375	55519	67766	2,76,312.38	71200.64	2,61,153.45	349410
2014	12466	88,988	5,505	66001	83972	2,80,229.41	70731.23	2,92,896.79	356820
2015	17928	1,07,006	6,780	74989	99697	2,91,750.09	70851.71	3,12,530.81	321670
2016	27638	1,35,987	8,831	90272	126741	3,07,013.51	70892.37	3,69,264.53	364990
2017	40653	1,77,866	11,693	110855	163201	3,36,965.06	74171.18	4,55,473.70	380760
2018	55838	2,32,887	15,794	136819	208451	3,66,147.82	76528.86	5,01,235.83	404700
2019	70697	2,80,522	20,156	161857	252710	3,79,416.54	76738.44	573745.14*	439090

\*Budget Estimates

## Growth Trends in the Past Decade:

					Developed Countries		Developing Countries	
	CAGR (in %)				GDP Growth Rate (in %)			
Year	Facebook	Amazon	Netflix	Google	Australia	Switzerland	India	Brazil
2010	154.05	39.56	29.52	23.97	2.07	3	8.5	7.53
2011	87.99	40.56	48.17	29.28	2.46	1.69	5.24	3.97
2012	37.13	27.07	12.61	21.46	3.92	1	5.46	1.92
2013	54.69	21.87	21.22	20.59	2.58	1.85	6.39	3.01
2014	58.36	19.52	25.83	18.88	2.53	2.44	7.41	0.5
2015	43.82	20.25	23.16	13.62	2.19	1.333	7.99	-3.55
2016	54.16	27.08	30.25	20.38	2.77	1.722	8.26	-3.28
2017	47.09	30.8	32.41	22.8	2.37	1.799	7.04	1.32
2018	37.35	30.93	35.07	23.42	2.94	2.75	6.12	1.32
2019	26.61	20.45	27.62	18.3	1.9	0.9288	5.02	1.14

## Charts and Figures:

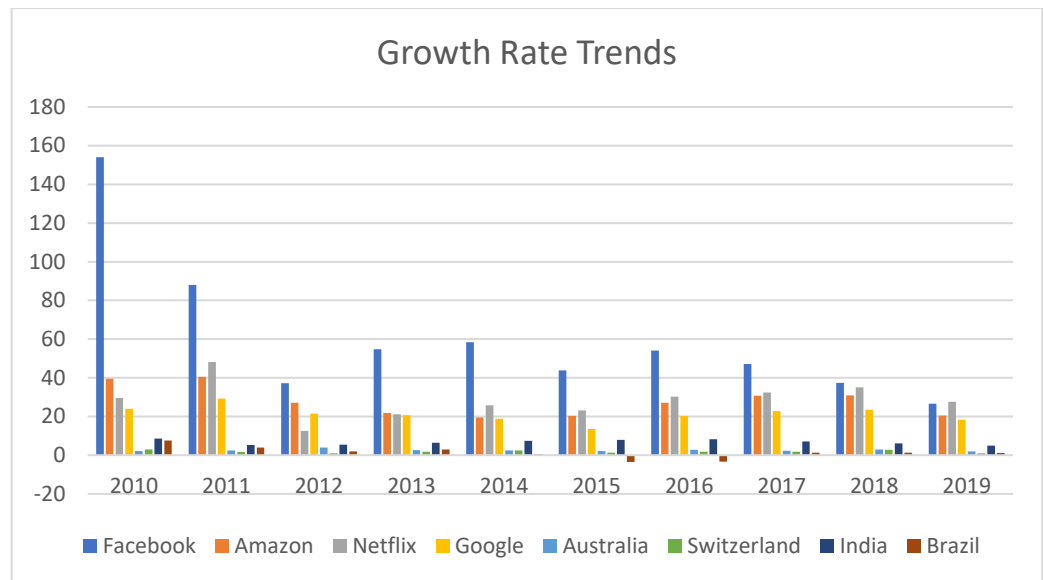


The revenue trends display that the revenues of some of these corporates are increasingly becoming comparable to those of entire countries. The ratios shown below compare the total revenues of the FANG companies to the total of 2 representative developing and 2 developed countries. The rise of the ratio from a mere 4.7% in 2010 to 28.2% in 2020 show how these company revenues have grown with respect to those of nations in the same period.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Ratio of revenues	0.047	0.054	0.063	0.071	0.084	0.1	0.114	0.131	0.155	0.282



The CAGR of FANG companies has far outpaced the growth rate of both developed and developing countries. The minuscule growth rates of countries in the range of -3 to 8% YoY, has failed to match the fantastic growth rates of these companies growing at rates nearing 20-30%.



Sources:

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[https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2019&locations=IN&name\\_desc=false&start=1961&view=chart](https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2019&locations=IN&name_desc=false&start=1961&view=chart)

## Conclusion:

We often claim that the 21st century man is on the path to equality and that globalisation and that technology will help man in this endeavour. And yet this era is poised to create one of the most unequal societies in history. Although the contemporary world cherishes the idea of equality, today the richest 1% already own more than half the world's wealth. Data occupies the same position today as land in the ancient times (which split mankind into aristocrats and commoners) and machines and factories in the industrial age (which split mankind into capitalists and proletarians). Today we are content in giving away our most precious asset in exchange for a free mailing service or watching a funny cat video. In this we are no better than any of the Native African tribes who sold entire countries to the European imperialists for a few colourful beads. The illusion of independent decision making is also challenged by machine learning algorithms increasingly influencing decisions right from approving loans, deciding what movie to watch, when to turn right, diagnosing diseases and in some cases even affecting people's voting choices. As authority shifts from humans to algorithms, we might not see our society as an interplay of people's independent choices but rather as a massive data processing system with an ultimate motive to absorb our tiny biochemical mental processes within its dimensions. At the helm of this change are 4 companies - Facebook, Amazon, Netflix and Google.

The data presented above shows the increasing revenue streams of these companies relative to four countries-Australia, Switzerland, India and Brazil. We can concur from the consistently increasing ratio of total revenue of the companies to the countries in the study and the high growth rates of the companies relative to the countries that the Corporate Nation Theory does indeed hold true. Multinationals like Google and Amazon wield phenomenal power. They are able to mobilise their users to shift public policies, manipulate political views, oversee huge supply chains and can even help mould international politics to their interests. The prospect of sovereign power and political decision-making being shifted away from national capitals and to corporations is indeed real. Communism was built on a foundation that the working class was vital to the economy; it galvanised the proletariat to translate their economic power into political might. These corporations threaten this very relevance of the working class. It is therefore necessary for world governments to take notice of this shift and enact appropriate protectionist measures to safeguard their people.