THE GUARDIAN: Google under scrutiny over lobbying influence on Congress and White House

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Google under scrutiny over lobbying influence on Congress and White House

Concerns grow after disclosure Google enlisted US politicians to pressure EU brought attention to tech giant's close relationship with Washington politicians



Barack Obama stands next to speaker of the House Paul Ryan and Senate majority leader Mitch McConnell. Photograph: UPI / Landov / Barcroft Media

David Smith in Washington

Google has made political donations to 162 members of the <u>US Congress</u> in the latest election cycle, figures show, as concerns grow over the internet giant's lobbying influence in Washington.

On Thursday the Guardian revealed that Google enlisted American politicians whose election campaigns it had funded to pressure the European Union in a carefully coordinated campaign to drop a €6bn (\$6.5bn) antitrust case that threatens its business in Europe.



Revealed: how Google enlisted members of US Congress it bankrolled to fight \$6bn EU antitrust case

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The disclosure underlined the close relationship between the company, the US Congress and even the White House, where the chief technology officer is among several ex-Google employees. Critics say that while the firm born in a garage in 1998 tries to present itself as breaking the mould, it has an army of more than a hundred lobbyists and buys influence just as big corporations have done for decades.

Google has reportedly spent more more money on federal lobbying than any other company since 2012. And its political action committee (Pac) has given donations between \$1,000 and \$10,000 to some 34 senators and 128 members of the House of Representatives in the 2016 cycle, according to data compiled by the Center for Responsive Politics. In the Senate this breaks down as \$78,500 to Republicans and \$46,500 to Democrats; in the House, as \$126,250 to Republicans and \$131,500 to Democrats.

Jamie Court, president of the pressure group Consumer Watchdog, said: "Google's founders had a motto, 'Don't be evil', but they're oozing evil these days in the political realm. They've

gone from neophytes to mobsters in Washington. They've become brass knuckle influence peddlers and Obama has been their biggest fan."

Tech pioneer Microsoft's wings were clipped in 2001 following a lengthy antitrust law case that accused it of becoming a monopoly. Google, however, has been more successful at making friends and influencing people on Capitol Hill.

"If you look back a decade, they have gone from having no presence in DC to being the titan on the block," Court added. "Now Google is worried that like Standard Oil at the turn of the century it will be busted up. It controls more of the internet than any other US company controls any market except a monopoly, and a vigilant government should be alive to that. But while EU has been highly aggressive, the US looks amateurish by comparison."

A report last month by another civil society organisation, Public Citizen, warned that Google, which recently moved into a Washington office as big as the White House, is "amassing greater political power than ever". Over the first three quarters of 2014, it said, Google ranked first among all corporations in lobbying spending, and is set to invest \$18.2m on federal lobbying this year – even ahead of PhRMA, the powerful trade association of the pharmaceutical industry.

Of 102 lobbyists the company has hired or retained in 2014, Public Citizen found, 81 previously held government jobs. "Meanwhile, a steady stream of Google employees has been appointed to high-ranking government jobs – an indication of the company's growing influence in national affairs."

It also said Google funds about 140 trade associations and other nonprofit organisations across the ideological spectrum – including some working in issue areas relevant to Google's practices on privacy, political spending, antitrust and more.

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Taylor Lincoln, research director of Public Citizen's Congress Watch division and editor of the report, said: "Google has essentially responded to concerns about its practices by saying, 'Just trust us.' But Google is gaining so much power that regulators may find it difficult to act if it turns out that the public's trust has been misplaced."

Congress's intervention in Brussels came as the European parliament prepared to vote for a resolution in November last year that urged EU policymakers to consider <u>breaking up Google's online business into separate companies</u>. Senators and Representatives warned against it in a series of similar – and in some cases identical – letters sent to prominent MEPs.

In 2012, the US Federal Trade Commission looked set to investigate Google under antitrust laws. But the case, centering on whether Google abuses its advantage in internet search by manipulating results to favour its own products, was dropped, fuelling theories about the company's hold over politicians.

Google's reach extends beyond Capitol Hill to the White House itself. As a presidential candidate in 2008, Barack Obama visited its headquarters in Silicon Valley and told staff: "What we share is a belief in changing the world from the bottom up." In 2012, Google's executive chairman, Eric Schmidt, a long-time supporter, helped the technology side of Obama's campaign and spent election night in its "boiler room" in Chicago.

"Where Google stops and government starts is hard to tell. They're backers of Barack Obama and it's well known in Washington how it's done," said an antitrust lawyer based in Washington. "I've heard instances of Google calling the White House to say they're unhappy about appointments. They don't just buy off politicians; they buy off the ecosystem, including advocacy groups and thinktanks."

Individuals have moved between Google and the White House. Megan Smith, named by Obama as chief technology officer last year, is a former Google vice-president. In April Hillary Clinton hired Stephanie Hannon, Google's director of product management for civic innovation and social impact, to oversee her presidential campaign's technology development. Court said: "Google leant their analytics and voter reach to Obama and they're doing the same to Hillary Clinton. When you control the greatest technology on earth to reach people, Democrats want to be your friends."

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Scott Cleland, president of research consultancy Precursor and a former official in the George H W Bush administration, said the company's reach goes way beyond traditional lobbying and politics. "The Google influence machine is one we've never seen before. It's the first dominant company in the internet age."

Politicians have come to rely on it for campaigning, communication and data collection they are not alone, added Cleland, publisher of GoogleMonitor.com. "The economy, mass media, not-for-profits, advertisers, the political class – they all depend on it."

But William Moore, a lobbyist with Vianovo and former official in Congress, defended Google's approach. "It doesn't look to me like what Google are doing is out of line," he said. "It's fairly traditional and I haven't seen anything unethical.

"They said they're trying to be 'not evil' and I don't look at working with government as evil per se. Every company has a story to tell and there's nothing that indicates Google is trying to do anything other than explain their story."

A Google spokesperson said: "Technology is a huge part of the current policy discussion in Washington, and it will be for a long time. We think it is important to have a strong voice in the debate and help policymakers understand our business and the work we do to keep the Internet open and fuel economic growth."

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