



## Testimony of Dr. Courtney C. Radsch, Director of the Center for Journalism and Liberty at Open Markets Institute

## Submitted to the Hearing on Tech Giants' Current and Ongoing Use of Intimidation and Subversion Tactics to Evade Regulation in Canada and Across the World

## **December 5, 2023**

Thank you for the invitation to testify at this hearing on Tech Giants' Current and Ongoing Use of Intimidation and Subversion Tactics to Evade Regulation in Canada and Across the World. I'm Dr. Courtney Radsch, director of the <u>Center for Journalism and Liberty</u> at Open Markets Institute and an affiliated fellow at several institutions including UCLA and the Center for International Governance Innovation (CIGI). I've spent the past 20 years of my career as a journalist, scholar, and human rights advocate and I am grateful to have the opportunity to offer my expertise today. I have never received funding from a tech platform for my research and Open Markets Institute does not accept *any* funding from technology companies, making us a rare independent voice on technology policy and journalism.

In fact, what happened to Open Markets is emblematic of the way that tech giants wield their money and power to intimidate and bully those who support regulation. The Google-funded think tank New America Foundation, which also gets funding from Eric Schmidt's foundation, fired Barry Lynn, OMI's Executive Director, and exiled its staff in 2017 after OMI issued a statement praising one of the first penalties the European Commission imposed on Google for anticompetitive conduct.¹ This is not a unique example of how Big Tech manipulates institutions to dissuade critical research while funding them to produce other "research" that support their products and advocate for positions that further their interests.

Just yesterday (12/4/23), renowned disinformation scholar Dr. Joan Donovan filed a whistleblower complaint against Harvard for retaliating against her after the university received \$500 million from the

<sup>&</sup>lt;sup>1</sup> https://www.nytimes.com/2017/09/01/us/politics/anne-marie-slaughter-new-america-google.html

Chan Zuckerberg Initiative, possibly the largest single pledge in Harvard's history.<sup>2</sup> As the complaint notes, Dr. Donovan's work was "particularly timely as it is used to inform policymakers as they legislate how the U.S. Government shapes policies to protect American democracy and national security."

Indeed, much of what we know about how these opaque oligopolies operate is because journalists and researchers have ferreted it out or a whistleblower leaked it.

I will briefly cover five ways that Big Tech and their leaders have deployed their vast resources and charitable foundations to evade regulation around the world, influence research and journalistic coverage, intimidate critics and undermine legal regulatory oversight. While their playbook borrows from Big Tobacco, Big Oil, and Big Pharma, their manipulation is intensified through the use of their own platforms to manipulate public opinion and censor their critics.

- 1) Tech giants use their platforms to propagandize against regulation they oppose, distorting public perception and debate, as they have in Australia, Canada, Brazil, and the US over news media bargaining legislation:
  - a. Google has used its search page to advocate against proposed laws,<sup>3</sup> and reportedly told evangelical preachers in Brazil that they would no longer be able to quote the Bible online. The Brazilian judiciary accused Google of undue interference in the legislative process. In Canada, Google commissioned opinion polls<sup>4</sup> that contained false attributions about the role of government agencies in the implementation of the law.
  - b. In the US, industry-backed trade groups have deployed six-figure lobbying campaigns<sup>5</sup> against the bipartisan legislation.<sup>6</sup>
- 2) Tech giants censor news and withdraw access to data and APIs, as well as threaten to leave entire markets to avoid meaningful regulation and deter oversight.
  - **a.** Google and Meta blocked news sites in Australia and Canada during the deliberation process and made similar threats in the US and CA where similar legislation is under consideration:
    - i. Meta also impeded sharing links from government sites during a key week of Parliament deliberations about the bargaining code. These actions, which Facebook said were due to a "technical error," were later found to be "negotiation tactics," according to internal whistleblowers.
  - **b.** Google and Meta have threatened to ditch news entirely,<sup>8</sup> despite the fact that disinformation degrades their platforms while news provides greater value and better user experience.<sup>9</sup>

<sup>&</sup>lt;sup>2</sup> https://www.washingtonpost.com/technology/2023/12/04/joan-donovan-harvard-dismissal-complaint/

<sup>&</sup>lt;sup>3</sup> https://www.wired.com/story/brazil-regulation-big-tech/

<sup>&</sup>lt;sup>4</sup> https://abacusdata.ca/public-opinion-bill-c-18-online-news-act-canada/

<sup>&</sup>lt;sup>5</sup> https://www.washingtonpost.com/technology/2022/12/06/ndaa-jcpa-newspapers-fail/

<sup>&</sup>lt;sup>6</sup> https://theintercept.com/2022/12/07/google-facebook-ads-news-jcpa/

<sup>&</sup>lt;sup>7</sup> https://www.wsj.com/articles/facebook-deliberately-caused-havoc-in-australia-to-influence-new-law-whistleblowers-say-11651768302

<sup>&</sup>lt;sup>8</sup> https://www.nytimes.com/2023/10/19/technology/news-social-media-traffic.html

<sup>&</sup>lt;sup>9</sup> https://www.techpolicy.press/the-value-of-news-content-to-google-is-way-more-than-you-think/

- i. And they appear to have pressured news outlets to kill stories, including coverage of a recent study that estimated they owe US publishers more than \$12 billion.<sup>10</sup>
- c. This pattern of censorship and information distortion can also be seen in motions to suppress information, conduct trials with as little public scrutiny as possible, and face justice behind closed doors.
  - i. In the US, where Google is facing a historic antitrust trial, the company successfully prevented livestreaming from the courtroom and even suppressed parts of the trial and documents in an apparent effort to limit press coverage.

## 3) They undermine democratic institutions, seek to handicap regulatory agencies, and evade laws they don't like.

- a. We can see this in Meta's decision to censor news in Canada rather than comply with C-18; its lawsuit against the FTC over attempts to force the company to comply with restrictions on data gathering, as well as in aggressive tax avoidance strategies that starve public coffers from the funds needed to pay for oversight and regulation.
- 4) Big Tech companies spend more money in Washington, Brussels, and other world capitals than virtually any other sector through direct lobbying as well as by funding industry groups and fellowships in Congress that help shape how policymakers think about issues they are seeking to regulate.
  - a. Meta, Google, Apple, and Amazon have significantly increased their lobbying forces in Washington over the past decade as they fight a rising tide of scrutiny over privacy, competition, and content moderation. Amazon spent approximately \$18 million on lobbying in 2020, while Meta spent a record-breaking \$20 million.<sup>11</sup>
  - b. As the US Congress is considering how to regulate AI and many other tech issues, Open Philanthropy fellowships and rapid response AI fellows have put Big Tech-funded experts into the heart of policymaking.<sup>12</sup>
- 5) Big tech provides funding to most civil society, research, and advocacy groups working in the tech policy, digital rights, and Al governance space as well as journalism.
  - a. Over the past 5 years, Google Meta, Amazon, and Microsoft have increased funding to leading American and European academic research centers, think tanks, and NGOs while also creating new ones to further their interests.
  - b. I do NOT want to disparage the work of these organizations. But the perception of interference along with the potential to divert attention from more important and consequential issues is a way to subvert demand for regulation.
  - **c.** Big tech further subverts regulation aimed at rebalancing its relationship with publishers by directly funding media, through grants as well as subsidized training, fellowships, and

<sup>&</sup>lt;sup>10</sup> https://policydialogue.org/files/publications/papers/USE-THIS-2023.10.28 Paying-for-News Clean-2.pdf

<sup>11</sup> https://www.washingtonpost.com/technology/2022/01/17/big-tech-oversight-project-antitrust/

<sup>&</sup>lt;sup>12</sup> https://www.msn.com/en-us/news/politics/key-congress-staffers-in-ai-debate-are-funded-by-tech-giants-like-google-and-microsoft/ar-AA1kV2GN

conferences.<sup>13</sup> This support is correlated with countries where governments are considering fair compensation legislation.<sup>14</sup>

i. Now, companies such as OpenAI, which have the backing of tech giants like Microsoft, are following the same playbook as they seek to head off concerns that they have unfairly used copyrighted content to train foundation models, i.e., OpenAI committed \$5 million to the American Journalism Project.<sup>15</sup>

In conclusion, Big Tech companies generate chaos and disruption, which then they leverage to blame governments for crafting "unworkable" regulation that only becomes "workable" once modifications that benefit them the most are made.

<sup>&</sup>lt;sup>13</sup> https://techpolicy.press/journalism-platforms-and-the-challenges-of-public-policy/

<sup>&</sup>lt;sup>14</sup> https://www.charispapaevangelou.eu/publication/13/1/23-fund-intermediaries

<sup>&</sup>lt;sup>15</sup> https://openai.com/blog/partnership-with-american-journalism-project-to-support-local-news