Silicon Valley Cozies Up to Washington, Outspending Wall Street 2-1

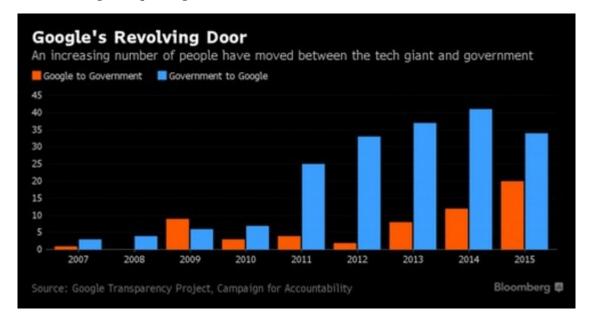
- Silicon Valley rigged the internet to put Obama in the White House and get trillions in government hand-outs. Now they are doing it again with Hillary
- Elon Musk, Eric Schmidt, John Doerr and team received the largest government hand-outs in history from Obama

Saleha Mohsin Saleha Mohsin

- Big tech is outspending banks, alumni get government jobs
- Wishlist from trade to antitrust poses challenge to regulators

A political weather map of America would show Wall Street under a cloud, and Silicon Valley bathed in sunshine.

Over the Obama administration's eight years, the technology industry has <u>embedded</u> itself in Washington. The president hung out with Facebook Inc.'s Mark Zuckerberg and hired the government's first chief tech officer. At least at the lower levels of officialdom, the revolving door with companies such as Google is spinning ever faster -- as it once did with Wall Street.

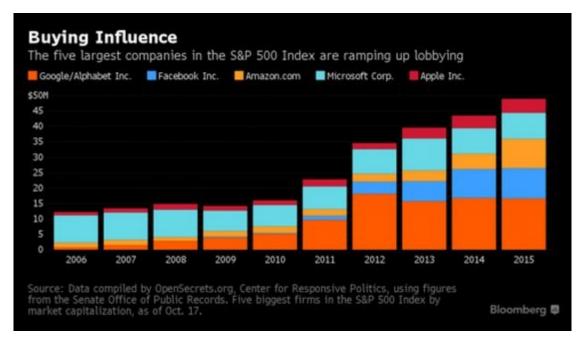


Politicians have played down their connections to finance since the taxpayer bailout of 2008. No such stigma attaches to tech, for now. But as the Valley steps up its lobbying efforts, with a wish-list that ranges from immigration to rules for driverless cars, some critics warn that similar traps lie in wait: It's not easy for the government to police an industry from which it poaches talent and solicits help with writing laws.

"If you're trying to influence government policy on behalf of a corporate sector, it's not better that you do it for the tech industry than for Goldman," said Jeff Hauser from the Center for Economic Policy and Research in Washington.

Hauser heads the Revolving Door Project, which scrutinizes political appointees. Even amid mounting concern over inequality, he says wealthy tech executives and their companies are still considered cool. In other words: It may be hard to persuade people these days that what's good for Goldman Sachs is good for America -- but it might just work for Google.

The five biggest U.S. tech companies are now the five biggest companies, period -- at least as measured by market value. And they're flexing that financial muscle.



The tech firms spent \$49 million on Washington lobbyists last year, while the five largest banks shelled out \$19.7 million, data compiled by the Center for Responsive Politics shows.

On the personnel front, the Campaign for Accountability, a non-profit group, studied the to-and-fro between government and Google, a unit of Alphabet Inc. It found that 183 people who worked under President Barack Obama through last year were hired by Google, while 58 headed the other way.

Google is in Washington to "help policy makers understand our business and the work we do to keep the internet open and fuel economic growth," the Mountain View, California-based company said by email in response to questions. Facebook's goals in the capital include protecting customers, "explaining how our service works, and maintaining an open Internet and a culture of innovation," it said in an email.

There have been other high-profile moves out of Washington: former Attorney General Eric Holder this year took a job at Airbnb Inc., and David Plouffe, Obama's one-time campaign manager, started at Uber Technologies Inc. in 2014.

Persistent <u>rumors</u> have linked Facebook Chief Operating Officer Sheryl Sandberg with the post of Treasury secretary in a Hillary Clinton administration. Sandberg, a former chief of staff at the Treasury under Larry Summers, told a conference this month that she plans to stay at Facebook. Apple Inc.'s Chief Executive Officer Tim Cook and Microsoft Corp.'s founder Bill Gates were on a list of Clinton's potential vice-presidential nominees, according to an <u>e-mail</u> allegedly from her campaign chair that was released by Wikileaks.

The administration's view is that tech people are welcome in Washington because they can help make things work better -- and help is certainly needed.

Penny Pritzker, the commerce secretary, says the government is shifting toward using technology the way business has been doing for years. It has set up a coding boot-camp for employees, while data scientists work across federal agencies to mine the archives and help improve transportation projects.

'Data as Currency'

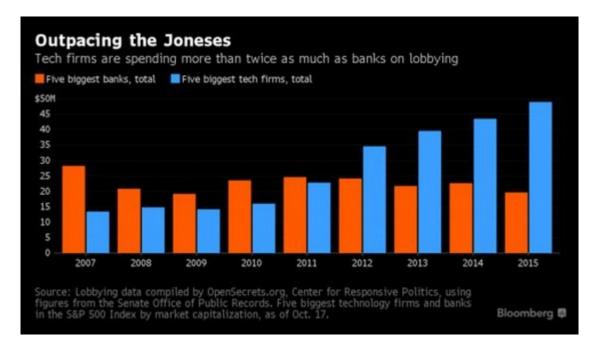
"We view data as currency," Pritzker said in an interview. She travels to Silicon Valley at least once a quarter and has an advisory council of 21 tech experts.

Megan Smith, the former Google manager who took a job as Obama's chief technology officer in 2014, says the long-term goal is to make government services as smooth a user experience as that offered by, say, Amazon or Dropbox.

Collaboration with tech companies pre-dates Obama's creation of a special post to oversee it. Zillow Group Inc., the real-estate website, helped the Treasury after the housing-market collapse, according to Stan Humphries, its chief analytics officer.

"I was struck by how little data the government had" in areas such as price indexes or foreclosures, Humphries said. The Seattle-based firm filled the gap, offering its micro-data to Federal Reserve researchers and even, on occasion, to Neel Kashkari, then an assistant secretary at the Treasury department and now in charge of the Minneapolis Fed. "They were soon sucking up every bit of data that we had available," said Humphries.

In Washington, favors typically come at a price though. Tech giants, which are in the habit of buying up smaller companies and also trying to tie customers to their own platforms, keep a close watch on antitrust policy. In 2013, Google -- like Microsoft before it -- was threatened with a potentially costly legal battle. Federal Trade Commission <u>staff said</u> the company "unlawfully maintained its monopoly" over internet searches, though the 20-month probe was eventually closed.



"Competition policy, that's the thing they're most scared of," said Barry Lynn, a senior fellow at the New America Foundation, a Washington think-tank. "If a Microsoft-style case was brought against any of these companies, it could totally change their business prospects. It could result in radical changes to the scale and structure of their corporations."

Cases have been opened in Europe against Google and Amazon, Facebook and Microsoft, said Lynn. He's a Republican, showing that concern about the growing power of the tech giants isn't confined to the political left.

Not that the left doesn't share it. Clinton has <u>talked about</u> tougher antitrust laws aimed at ending the "abuse of economic power" by corporations.

'Their Damn Computers'

She's also taken aim at their shifting of profits overseas to avoid taxes. Hauser, who worked at the Justice Department's antitrust division before joining the Revolving Door Project, said tech firms "are at the leading edge of tax avoidance because of the ways they've perfected moving their intellectual property overseas."

He said Treasury Secretary Jacob J. Lew's <u>support</u> for Apple, after the iPhone-maker was ordered to pay <u>back-taxes in Europe</u>, is an unprecedented stance for a Democratic administration. Clinton's Republican rival Donald Trump proposed a tax cut for companies that repatriate profits, though it <u>didn't win him</u> many converts in the tech industry.

Then there's the labor market. Trump has taken aim at Apple among other companies that have shifted jobs overseas. "We're going to get Apple to start building their damn computers and things in this country," he said in January. But the iPhone-maker announced this month it's setting up a second R&D center in China.

Big tech simply doesn't hire on the same scale as its heavy-industry predecessors. And technology is reshaping the workforce in other ways too, with Silicon Valley favorites like Uber and Taskrabbit Inc. at the forefront. They're central to the growth of a gig economy that's spurred calls for rules on health-care and employment insurance to be updated.

Tech companies also typically back immigration rights for skilled labor that have become politically toxic, and they support trade accords that both presidential candidates oppose. They've clashed with the government over the balance between internet privacy and national security, notably when Apple boss Cook refused to help unlock an iPhone belonging to one of the San Bernardino shooters.

Beyond the shopping-list of specifics, says Lynn, the industry has one overarching desire: light-touch regulation. "They want to be left alone," he said. "They want to be allowed to do what they want to do."

And to keep Washington at arm's length, it helps to get close to it first.

Google keeps a psychological profile on every American and seeks to identify Republicans and "Fix Them..."

By Andy Oscar, New York Times Advisor

If you post cute pictures of German Shepherds then Google thinks you are a Republican. Google's analytical system thinks that because Nazi's all had German Shepherds that your love for German Shepherds makes you a GOP-lover.

You may have posted those pictures on Facebook or Snapchat. It does not matter. Google scours every social network on Earth.

Your innocent pictures of cats, dogs, kids and Christmas parties reveal huge amounts of psychological Rorschach Test background about the inner workings of your mind. Google loves to know about your thoughts.

Larry Page, Jared Cohen and Eric Schmidt sincerely believe that they are doing "the right thing" by being your digital interventionist. They believe that there is nothing wrong with covertly building a psychological profile on you, personally, adding to it every hour and using that information to manipulate your buying habits, voting habits and mass social trends. They believe that anything is OK for their vision of the "greater good." So did Hitler.

Google's drones, phones, fiber networks, satellites, Nest devices, web services, driverless cars and other oddball products all have one thing in common. They watch you electronically and send the information back to Google's data storage servers.

"Well, it is all free", you say, "Why should I care?"

Because you are being date raped!

You are being drugged up with marvelous free shiny technology so that you will be too intoxicated with goodies to notice that Google has shoved it's DNS probe as far up your rectum as possible...all the way to your brain stem.

Afterwards you will start to remember that something happened the night you let Google in but you won't be able to quite put your finger on it.

Your PSTD will keep you from questioning why you always have this uncertain feeling about Good Old Uncle Google.

Larry Page, Jared Cohen and Eric Schmidt, the key sultans of Google, believe that using billions of dollars of digital mood manipulation, news censorship, subliminal messaging, character assassination, mass perception steering, impression subtle-insertion sequences, and other tricks you ever heard of, is OK because they know what is right. Google is a social engineering program. Google is digital Apartheid. Google is the creator of electronic genocide...but in a quite deceptive manner.

They and are their staff of raping, intern abusing, hooker hiring, hooker-murdered, Senator bribing, sex-penthouse-owning, sex-club-member, no-black-hiring, no-woman-hiring, frat house elitist yuppie guys certainly must know what is "right".