



## Is Big Tech Breaking Up With the Left?

**Google's reported involvement in New America's decision to end an antimonopoly program points to a larger schism in the Democratic Party.**

By [Alex Shephard](#)

Open Markets, a division at the public policy think tank the New America Foundation, had been an intellectual force in progressive circles in recent years, leading to a heightened awareness of the damaging effects that monopolization is having on both consumers and businesses. Its work focused on everything from hyper-consolidation in the airline industry to a growing concentration of book publishers, but where it really stirred things up was by targeting America's giant tech companies, particularly Amazon, Facebook, and Alphabet (the umbrella company for Google). Now, Google has apparently struck back, revealing a growing divide between progressives and an industry that has long claimed a home in the Democratic Party.

On Wednesday, *The New York Times's* Ken Vogel [reported](#) that New America had parted ways with Open Markets following complaints from Eric Schmidt, the executive chairman of Alphabet, a major

New America donor. (Schmidt has also made personal donations to New America, and was its chairman until 2016.) In an email reviewed by the *Times*, Anne-Marie Slaughter, who leads New America, informed Barry Lynn, the head of Open Markets, that “the time has come for Open Markets and New America to part ways.” Slaughter told Lynn that the decision was “in no way based on the content of your work,” but that Lynn was “imperiling the institution as a whole.” In a statement released after the *Times* published its story, Slaughter said Lynn has been let go for insubordination—for failing “to adhere to New America’s standards of openness and institutional collegiality.”

What had Lynn done exactly? Under Lynn, Open Markets strenuously [warned of the perils of Amazon’s growing clout](#), and pushed the Democratic Party to adopt a harder line on antitrust, [with some significant success](#). But it appears the nail in the coffin was when Open Markets [praised the \\$2.7 billion antitrust fine](#) the European Union levied against Alphabet in June. The statement was briefly taken down from New America’s website, and “word of Mr. Schmidt’s displeasure rippled through New America,” according to the *Times*. The *Times* reports that Slaughter also objected to a 2016 Open Markets conference on consolidation in the tech sector, telling Lynn that it could hurt New America’s relationship with Google: “We are in the process of trying to expand our relationship with Google on some absolutely key points ... just THINK about how you are imperiling funding for others.”

Critics of New America say it’s easy to read between the lines here. To ensure that Google would continue funding New America, Slaughter axed the entire Open Markets program. In an interview with the *New Republic*, Lynn confirmed the account he gave to the *Times*, pointing to the EU statement and the 2016 conference as “the only two times there were ever tensions with my work.” Slaughter, for her part, says this interpretation is incorrect:

Let me be clearer in era of fake news; facts are largely right, but quotes are taken way out of context and interpretation is wrong. <https://t.co/ynlNR8FDEx>

— Anne-Marie Slaughter (@SlaughterAM) [August 30, 2017](#)

Lynn and his team have since launched a new campaign, [Citizens Against Monopoly](#), and will re-launch as a new, yet to be named entity next month. “People should not send us commiserations,” Lynn said. “They should send us congratulations. We held our team together and we’re going to be able to march forward and get stronger in the days ahead.”

Citizens Against Monopoly also released a statement saying that Google threatened to cut all funding to New America over the controversy surrounding the EU fine: “In keeping with our mission, earlier this summer we commended the European Union for acting to curb Google’s abuse of its monopoly power. Within hours of the statement’s release, the corporation threatened to cut off all funding to New America. Two days later, we were told it was time to part ways from the think tank.”

On one level, the New America scandal can be seen as another chapter in the tech industry’s war against its critics. If Peter Thiel’s successful shutdown of Gawker, another thorn in Silicon Valley’s side, was the first big data point, this could be the next. Open Markets has been one of the most

consistent and vocal opponents of tech consolidation, and its closure is a victory not just for Alphabet, but for Amazon, Facebook, and others. That it comes when calls for more robust antitrust legislation are louder than they have been in decades makes it all the more troubling.

On another level, Open Markets is the first significant casualty of a broader battle between Silicon Valley and the Democratic Party. These companies—socially liberal, immensely popular, forward-looking—have become enmeshed in the Democratic establishment. They have acquired an enormous amount of political and economic power, thanks in part to a bipartisan consensus on antitrust issues and on the benevolence of the tech industry. But that consensus is starting to fall apart, thanks to [a new awareness](#) of the ways in which tech monopolies are crowding out competition and hurting consumer choice. At New America, anti-monopoly apparently became a dealbreaker for Schmidt and Google—there’s no reason to believe that won’t be true across other left-leaning institutions or the Democratic Party itself.

In response, the titans of this industry are starting to act like politicians. Facebook CEO Mark Zuckerberg has embarked on a [seemingly endless whistlestop-style tour](#) across the country, possibly because he plans to run for president and possibly because his company realizes that PR work is crucial to bolster the company’s image and keep regulators at bay. Mark Pincus and Reid Hoffman have launched a [platform](#) to Reddit-ify the Democratic Party and remake it in their own image. The vision these tech gurus have outlined is one that retains most of the Democratic Party’s social liberalism, while safeguarding the [pro-business laissez-faire philosophy](#) that has allowed Silicon Valley to flourish and that has come under criticism from the left.

All of this speaks to a larger anxiety about tech’s status. Ironically, Open Markets may have been a victim of its own success: Tech companies are getting jumpy now that they’re coming under the microscope. “It’s clear that more Americans are paying attention,” Lynn told me. “Until 2016 we had almost no traction on the Hill. Now we have a lot of support and interest on the Hill.”

He added, “What we have now is two corporations—Google and Facebook—that manipulate how information flows through the system and increasingly divert the flow of advertising revenue into their own pockets and away from trustworthy sources of research and journalism.”

The scandal is also an indictment of the relationship between public policy think tanks and corporations. Think tanks have downplayed the role that large corporate donors play in their research, but the situation at New America suggests that donors like Schmidt expect something in return for their money. On the right, this has been obvious for years—think tanks like Heritage and Cato were founded to influence public policy in ways that expressly favor corporations and the wealthy. They serve those interests and they deliver the goods.

On the center-left, the relationship between donors and think tanks has been more complicated. Doing good research and maintaining one’s influence in Washington require a lot of money. Policy shops like New America and the Center for American Progress have taken money from corporate donors but have insisted that it doesn’t affect their work. This has always strained credulity, but these organizations will

undoubtedly receive new scrutiny in the wake of the Open Markets fiasco. They are the policy-makers behind the policy-makers in Congress, and they are thoroughly intertwined with moneyed interests that stand in opposition to policies, such as antitrust, that are meant to help consumers and businesses.

One of the great takeaways of the 2016 campaign was that the Democratic Party was damaged by its close ties to corporate and financial interests—that it allowed Donald Trump, of all people, to credibly paint Hillary Clinton as just another stooge. If progressives continue to demand a more open and more egalitarian party, then we're bound to see a lot more dust-ups with the party's corporate backers, whether they're located in Silicon Valley or elsewhere.

Alex Shephard is the news editor at *The New Republic*.

[@alex\\_shephard](#)

Read More

[Politics](#), [New America](#), [Silicon Valley](#), [Tech](#), [Google](#), [Eric Schmidt](#), [Amazon](#), [Facebook](#), [Mark Zuckerberg](#), [Mark Pincus](#)