


**The White House Must Use The Defense
Production Act To Nationalize Amazon,
Facebook, Google, Apple And Netflix**

Facebook and Google Should Be Nationalized

By Rob Enderle

 government could nationalize social media companies to protect citizens and themselves

After reading Facebook CEO Mark Zuckerberg's testimony, and viewing some video clips of his appearances before Senate and House committee hearings last week, it became very clear to me -- and I expect many in Congress (these were unprecedented events, and it's an election year) -- that social media companies need to be regulated.

However, I think this is only a step in the path that governments - - and I do mean more than the U.S. -- will take to ensure their effectiveness and protect their people. I'm not suggesting the U.S. Congress, whose members currently appear to be woefully out of step, could run these companies better.

What I can see easily, though, is that as technology evolves, the need for national security will drive Congress to take control of the digital identities of citizens, both to protect the people better and to ensure that the government and country survive.

More Powerful Than a Nuclear Bomb

If we think in terms of ordnance, the nuclear bomb is the most powerful, and no government would be willing to allow a company to amass any of those things -- let alone enough to overthrow the government. Yet all a bomb can do is intimidate and destroy. It doesn't really control.

Were a firm to acquire a critical mass of nuclear weapons, it is likely more than one government would work inordinately hard to remove the threat to ensure the sovereignty of that government. (I'm thinking there would be a crater where that company used to be.)

What the various world governments are coming around to understanding is that deep data on individuals can be far more powerful than a bomb. Deep data can be used to overthrow governments without the government even knowing it is at risk.

The citizens are the real power behind a government. If you can control them, you effectively can control a nation -- the government becomes both redundant and subordinate.

We are currently dealing with the fact that Facebook, which clearly now has that power, sold it to a third party, potentially aiding a foreign government's efforts to control a national U.S. election. Attempting to influence an election isn't new -- governments have done it to one other for centuries. However, this may very well be the first time that a large company has had this power and [made it available](#) to a hostile nation for use against its own country.

This kind of control and really bad decision making used to exist only in the public sector. Based on investigations in the U.S. and in the EU, the public sector appears to be coming around, slowly, to the idea that something on a national level -- if not world level -- needs to be done.

It is interesting to note that traditional media outlets, which were hurt massively when both Google and Facebook emerged, seem to be [on the front lines](#) in this effort.

Taking Over Facebook

The U.S. government currently has the power to seize all of Facebook's physical assets. The FTC has in place a consent decree with Facebook, which seemingly was violated. Based on the formula in the decree, the fines that could be imposed possibly could exceed [Facebook's current assets](#) by a significant amount. Certainly, they could amount to more than even the most capital-rich company could pay. The U.S. government has the power, authority, and resources to fine Facebook into nonexistence.

Current discussions suggest the plan is [to do something far less severe](#) than that -- but do realize that if you or I were facing this situation after committing a crime, the fact that we couldn't pay the fine likely would be our problem to solve.

I doubt the government actually will take over Facebook at this point. However, the lack of control over user data and the fact that a second company apparently has misused it suggest that we probably haven't seen the last of these disclosures. (You may recall how the information about the extent of the Yahoo breaches kept getting worse over time.) It's possible that the Facebook scandal still could escalate to a level even Facebook couldn't survive.

I'm not expecting a near-term fix, but what I do foresee is that with 44 senators attending the Zuckerberg hearing, "fixing Facebook," or possibly eventually nationalizing it, will become a common political goal. That goal should mature to action around

the time of the next presidential election -- thus the five- to 10-year range of my prediction.

Who Should Own Your Data?

Given that most of us have been giving away our data unthinkingly, and that it can be used to manipulate us as a nation, ownership shouldn't reside with us alone. In much the same way that the government attempts to protect us from ourselves with laws and restrictions surrounding alcohol use, drug use, sexual behavior, reproduction, driving, smoking -- well, the list could go on for a while -- it probably will conclude that it must at least have joint ownership over our data.

It's arguable that the governments of some countries, where power is more absolute -- for example, Russia, North Korea and China -- already do.

Still, given that governments tend to misuse the power they have, such ownership likely would result in illegal actions within the government that potentially could subvert democratic processes. We certainly have seen this in governments that own or control their own press or media.

Citizens' personal data only makes that control far more effective. In the hands of any government, it not only would ensure the death of democratic processes, but also the eventual abuses of citizens at massive scales.

I think personal data should be regulated by an organization independent of any government and with the power to defend itself against any government. I'd point to the United Nations as the closest entity that approaches that power, but the UN really isn't much more than a paper tiger. The kind of power I'm talking

about would guarantee its becoming even more deeply compromised by the most power governments controlling it.

One of my favorite TV shows years ago was [*The Man from U.N.C.L.E.*](#) "U.N.C.L.E." stood for "United Network Command for Law and Enforcement." It was kind of a superset of Interpol with far more capabilities and power, and that's what we need in the case of data protection, before any one government -- even our own -- nationalizes Facebook and Google.

Google Under the Radar

Facebook is now in the spotlight, but I think Google is by far the bigger problem. I'm still thinking about the books [Brotopia](#) and [Technically Wrong](#). In both books, Google is by far represented as the worse actor between the two firms.

Google also has far more data about people and far more that we didn't realize we gave up. It effectively holds a superset of what Facebook holds, and it has been accused of [lobbying against](#) regulations to limit sex trafficking -- the sale of young girls into slavery. Google apparently was the most powerful company aggressively trying to block the legislation.

It recently failed, but until then it had been successful, possibly because it had far more [influence on the Obama administration](#) than it does on the Trump administration. However, those efforts ensure its position at the top of the pile of bad-acting U.S. companies.

There is a lot of concern about someone developing an artificial intelligence system that would have *Terminator*-like tendencies. The [company that has come up](#) in most every conversation I've been part of as most likely [to develop such a system is Google](#). Ironically, the company with the tag line "do no evil" appears to have [evolved into the stereotypical Bond villain](#).

Google's potential power and focus makes it far more dangerous in the long term than Facebook ever could become.

Wrapping Up

Whether we foolishly gave Facebook power or watched Google seize it, the result is that it isn't in the long-term health interests of any government -- or even those of Facebook and Google -- that they have it.

If nothing is done to mitigate the risks, governments will view these firms as the existential threats they already are and use draconian measures to seize them. Nationalizing these companies on a country-by-country level is now the most likely outcome. These firms still might have the power to avoid this threat and take actions to put in place a company- and government-independent control structure to ensure our personal information won't be weaponized against us.

Certainly, any small number of employees could come up with a more practical plan than members of the U.S. Congress, who continually seem to struggle with technology, could come up with. However, if Facebook and Google don't fix the threats they represent, they are building toward their own terminations.