Big Tech's biggest lobbyist firm is falling apart

Article





The news: Big Tech's largest and most influential **lobbying group** is shedding staff and becoming increasingly irrelevant, according to Politico. Until recently, the **Internet Association** (IA) was a guiding force in Big Tech lobbying efforts, calling itself "the unified voice of the internet economy," and played an instrumental role in pushing tech-friendly legislation. Now, however, IA has **lost nearly one-fifth of its personnel since June**, and though





Google, **Amazon**, and **Facebook** are still partners for now, the companies are reportedly planning on significantly cutting spending to IA, per Politico.

How we got here: Big Tech firms have ratcheted up their lobbying efforts in recent years and are consistently some of the largest spenders in Washington.

- Facebook and Amazon were the two largest corporate lobbying spenders in DC from 2018–2020, according to a report from Public Citizen, spending \$19.7 million and \$18.7 million, respectively.
- Those efforts aren't slowing despite increased regulatory scrutiny. In the first quarter of 2021, **Google reportedly spent \$2.7 million on federal lobbying**, a **49%** increase from the same period the previous year, **per** Bloomberg. **Amazon increased its federal lobbying spending by 11%**, for a total of **\$4.8 million**.

The bigger picture: Amid escalating regulatory pressure from all angles, Big Tech companies are increasingly choosing to lobby independently rather than organize under one united front.

This fragmented approach makes sense given Big Tech firms' unique concerns and interindustry competition. Even though Apple, Facebook, and Google all face federal regulatory investigations, they are simultaneously competing with each other on the future of XR, cloud computing, artificial intelligence, and more. And as a recent war of words between Apple and Facebook over data privacy demonstrated, some of the products, business models, and ethical commitments of these companies vary too widely to cleanly reside under the same roof.

The bottom line: Big Tech has no shortage of capital to burn and opting to "go it alone" in regards to lobbying will allow them to be more precise, using a targeted approach to pick legislative battles that benefit their specific businesses.



Big Tech Leads US Federal Lobbying Efforts *Total spend, 2020*





