

Courage to Learn: Google and Facebook

From 2004 to 2020, Google and Facebook concentrated the search and social networking industries by exploiting a pro-concentration policy framework across multiple administrations. They bought hundreds of companies and took advantage of lax privacy policy and weak enforcement of monopolization rules. These two multinationals now serve as middlemen in virtually all online advertising and much of our communications infrastructure, in turn eroding local and independent journalism, propagating disinformation, [harming](#) small businesses, and damaging the mental health of users.

Key Facts

- Google has [94 percent of all](#) general mobile search inquiries.
- Google has [75 percent](#) of the global mobile operating system market share.
- Google has nine products with more than 1 billion users.
- From 2004 to 2014, Google [spent](#) at least \$23 billion buying 145 companies, including Maps, Analytics, YouTube, Gmail, Android, and, critically, its 2007 purchase of DoubleClick.
- Facebook's social media [market share](#) in the United States jumped from less than 13 percent when Obama took office to more than 70 percent when the administration left office.
- According to [38 state attorneys general](#), "Facebook has a strong and durable monopoly in the Personal Social Networking Services market that has persisted for nearly a decade."
- Venture capitalists [tend not to fund](#) companies that operate in the similar spaces to Google and Facebook, referring to these areas as "kill zones." Investments in a market "drop by over 40 percent and the number of deals falls by over 20 percent in the three years following an acquisition" by a tech giant.
- Google and Facebook actively attempt to block innovation that might harm their business; one venture capitalist [noted](#) they also limit funding to products that enhance privacy online due to fear of these giants.
- Survey results [show](#) Google provided ad services to 86 percent of the sites carrying coronavirus conspiracies.

Recommended Policies

- Break up dominant platforms by expanding existing antitrust suits, passing stronger antitrust legislation, banning mergers by dominant corporations, and engaging in regulatory and statutory changes to explicitly break up platforms.
- Implement non-discrimination rules, such as bans on self-preferencing, as well as interoperability requirements and equal treatment for terms and services.
- Ban targeted ads through new rulemakings or through targeted reforms of Section 230 of the Communications Decency Act.
- Ban platforms from entering financial services and end local tax subsidies for platform facilities.

Further Reading

- [“Why Google Dominates Advertising Markets”](#) by Dina Srinivasan, December 2019
- [“Ending Our Click-Bait Culture: Why Progressives Must Break the Power of Facebook and Google”](#) by Matt Stoller, Sarah Miller & Zephyr Teachout, April 2020
- [“Investigation of Competition in Digital Markets,”](#) U.S. House of Representatives Subcommittee on Antitrust, Commercial & Administrative Law of the Committee on the Judiciary, October 2020

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