

The anti-monopoly ideas Google tried to suppress are growing influential



IMAGE: JUSTIN SULLIVAN/GETTY IMAGES

You have to be a little flattered when a company as powerful as Google feels the need to go after you.

"I think of it as a great compliment," said Matthew Stoller, a fellow with Citizens Against Monopoly, a newly launched nonprofit organization. "What Google did is a reflection of their intellectual beliefs and their strength. You don't suppress information if you're winning the debate."

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Citizens Against Monopoly is new because Stoller and a group of his colleagues were recently fired from their old jobs at New America, a left-leaning think tank that had been home to the Open Markets program led by prominent academic Barry Lynn.

The [New York Times](#) reported that the move came after Eric Schmidt, Alphabet's executive chairman, expressed displeasure with some of Lynn's recent work. Alphabet, which owns Google, is a major funder of New America. The search giant had complained about Lynn multiple times, and in emails reported by the *Times*, his boss warned him that he was endangering the group's relationship with the company.

Google and New America both denied that the company played a part in the decision to cut Lynn's team, though the statement from the latter didn't include any details that conflicted with the *Times* story.

"We don't agree with every group 100 percent of the time," a Google spokesperson said in a statement. "While we sometimes respectfully disagree, we respect each group's independence, personnel decisions and policy perspectives."

In one sense, the episode is a bittersweet testament to the new level of influence the program's work was starting to enjoy among Washington lawmakers. When Democrats unveiled their grand economic strategy to fight Donald Trump earlier this summer, the fight against monopoly power was a central plank.

Trump's rise may have been the direct impetus for this shift, but most of the ideas can be traced back to the Open Markets team. In an interview with *The Atlantic* earlier this year, congressman Ro Khanna, a freshman Democrat representing Silicon Valley, cited the writing of Stoller and his colleague Lina Khan as the inspiration for a monopoly-focused caucus he's organizing in the House.

"Their work has gotten the attention of some of us in Congress that we need to reorient antitrust policy," Khanna said.

It's easy to see why Google would be worried. In June, the European Union hit Google with a landmark \$2.7 billion fine for abusing its market power, the biggest antitrust penalty in the EU's history. (A celebratory note Lynn posted to New America's site proved to be the final straw in Lynn's clashes with think tank leadership, Stoller confirmed.)

Stoller says the EU's regulatory actions have effectively made Google a public utility in the eyes of the law, which means it's treated more like phone companies or infrastructure than a private enterprise—and therefore susceptible for more stringent regulation. He thinks the United States will inevitably follow Europe's lead in that regard.

One of the guiding ideas of the antitrust school of thought to which Stoller belongs is that competition law as it's currently practiced in the United States isn't equipped to deal with the unprecedented power of companies like Facebook, Google, and Amazon, which naturally trend towards monopolies because of the network effect fostered by the internet.

"We're going to have to choose whether we want to live in a democracy or allow Facebook, Google, and Amazon to continue what they're doing," Stoller said.

As antitrust law is interpreted now, deals and mergers are reviewed solely on the basis of whether or not they immediately harm consumers. This narrow consensus took hold around 1980, and it replaced the more robust regulatory regimen that had been in place since the New Deal.

Stoller and his colleagues believe that concentrated market power is at the center of many of the political problems faced in the country today, and the only solution is a return to the 20th century tradition that accounted not just for short-term consumer welfare but jobs lost, small businesses killed, long-term effects and other factors.

"Concentrated corporate actors are driving a lot of the anger and frustration [of today's political climate]," Stoller said. "These are the people that organize our economy. These are the people that value things, buy things from you, mediate information, hire you, furnish you with capital it's not everything but it's how it works in America."

As for the average voter, the best thing you can do is learn about the wide-reaching effects of market competition, he says.

"You have to actually educate yourself as citizens on how to organize political power in a democracy," Stoller said.