

**MEMORANDUM**

**TO:** Interested Parties  
**FROM:** Accountable Tech  
**RE:** Tech Antitrust Bills: American Innovation and Choice Online Act (AICO) and Open App Markets Act (OAMA)  
**DATE:** April 18, 2022

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**PURPOSE:** As Big Tech lobbyists blanket Capitol Hill with disingenuous talking points about the tech antitrust bills moving through Congress, this memo is designed to give a brief overview of what the bills actually do and why each of them is desperately needed to fix the broken status quo, and underscore the extent of public support for these measures.

**I. WHAT THE BILLS DO**

Unchecked monopoly power has allowed Big Tech to harm users, kneecap nascent rivals, and rig marketplaces without consequence. The bipartisan bills described below would finally curtail these gatekeepers' most egregious abuses – like unfairly boosting their own products and extracting monopoly rents across the digital economy – and force them to start competing on the merits again.

1. The ***American Innovation and Choice Online Act*** ([S. 2992 / H.R.3816](#)) will prevent dominant platforms from rigging marketplaces – by self-preferencing and picking winners and losers – and increase opportunity for small businesses and entrepreneurs. Rather than gatekeepers constantly favoring their own products or kneecapping competitors to pad their profits, this bill would level the playing field and put real choice in the hands of consumers.
2. The ***Open App Markets Act*** ([S. 2710 / H.R.7030](#)) will set fair, clear, and enforceable rules to protect competition and strengthen consumer protections within the app market. Google and Apple have gatekeeper control of the dominant mobile operating systems and their app stores that allow them to exclusively dictate the terms of the app market, inhibiting competition and restricting consumer choice.

**II. WHY WE NEED THESE BILLS**

The improbable rise of our modern tech giants once epitomized the endless possibility of Silicon Valley. But the reality today is a far cry from that idealism. Those former-upstarts have exploited their dominance to unfairly entrench their monopoly power and crush potential rivals. Far from embodying national interests, these monopolistic abuses serve to chill innovation and deprive the next generation of American entrepreneurs of opportunity. We need new safeguards to level the playing field and prevent egregious abuses like the ones below:

Facebook

- [Mashable](#): Mark Zuckerberg gave the order to kneecap Vine, emails show

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- [NBC News](#): Mark Zuckerberg leveraged Facebook user data to fight rivals and help friends, leaked documents show
- [NYT](#): “For years, Facebook gave some of the world’s largest technology companies more intrusive access to users’ personal data than it has disclosed, effectively exempting those business partners from its usual privacy rules”
- [Politico](#): Facebook CEO Mark Zuckerberg and Google chief executive Sundar Pichai personally approved a secret deal that gave Facebook a leg up in the search giant’s online advertising auctions.

### Amazon

- [WSJ](#): Amazon Scooped Up Data From Its Own Sellers to Launch Competing Products
- [ProPublica](#): Amazon’s New Competitive Advantage: Putting Its Own Products First
- [NYT](#): How Amazon Steers Shoppers to Its Own Products
- [Reuters](#): Amazon copied products and rigged search results to promote its own brands, documents show
- [Vox](#): Amazon’s strategy to squeeze marketplace sellers and maximize its own profits is evolving

### Google

- [The Verge](#): Google fined a record €2.4 billion by the EU for manipulating search results | *The company demoted rivals and unfairly promoted its own services, says the EU*
- [Bloomberg](#): Google, Facebook Had Illegal Deal to Rig Ad Market, Texas Says
- [Recode](#): Ads for Google products topped Google search results 91 percent of the time
- [WSJ](#): How Google Interferes With Its Search Algorithms and Changes Your Results

### Apple

- [Washington Post](#): Apple suppressed competitors in its App Store — until it got caught, a lawsuit alleges
- [NYT](#): How Apple’s Apps Topped Rivals in the App Store It Controls
- [The Verge](#): Documents show Apple gave Amazon special treatment to get Prime Video into App Store

- [The Verge](#): A new study shows how Apple and Google’s preinstalled apps dominate their mobile platforms

### III. PUBLIC OPINION

Despite Big Tech’s lobbying blitz, the American people have an increasingly negative view of these companies and overwhelmingly support regulating them.

- Monopoly power allows Big Tech to degrade user products: In May 2021, a poll showed 66% of [respondents](#) were concerned that the growing influence of Amazon, Apple, Google and Facebook weakened their ability to get news and opinions from different viewpoints. In November 2021, the *Washington Post* released a report showing that 73% of respondents [believed](#) that Big Tech collecting information on users to target ads towards them was “an unjustified use of people’s private information.”
- The public knows Big Tech is bad for small business: A bipartisan majority of voters [showed concern](#) that Big Tech companies were harming small businesses and consumers alike. 77% of Republicans and 72% of Democrats want to [make it harder](#) for big companies to force smaller companies out of business by copying their products and giving them away for free. Just last month, the *Institute for Local Self Reliance* [released](#) survey results showing that 60% of small businesses said Amazon’s control over the online market posed a “very or extremely significant challenge” for them.
- Big Tech has too much influence on government policy: In July 2021, the *Center for American Progress* released a [poll](#) showing that 81% of respondents believed Big Tech had too much power and influence over politics and government. In February 2022 another [poll](#) found that 67% Californian voters believed the same. This same poll also showed that 84% of CA voters support stronger laws to hold Big Tech accountable and keep markets competitive.
- Consistent support for breaking up Big Tech monopolies: Polling in February 2022 by *Ipsos* [found](#) that 67% of Republicans and 65% of Democrats favor breaking up large, monopolistic, technology companies. Research from Accountable Tech and GQR in January of 2021 [found](#) 63% support breaking up Big Tech companies like Google and Facebook. Over [60%](#) of voters think the economic power of large tech companies is a problem. This month, even a Google-funded Big Tech front group [found that](#) after voters were provided a brief explanation of the legislation, initial support across 9 states averages 68%.

### IV. ADDITIONAL HARMS FROM BIG TECH’S MONOPOLY POWER

Over decades, Facebook, Google, Amazon, and Apple have [acquired](#) hundreds of companies over decades to propel them to become some of the most powerful tech behemoths in the world. Big Tech has grown Too-Big-To-Care, and the rest of us are paying the price. Beyond stifling innovation, crushing small businesses, and depriving consumers of choice, the second-order harms of Big Tech’s monopoly power pose existential threats to our democracy.

- ***Pervasive Surveillance and Data Abuses***. Big Tech’s monopoly power is built on the extraction, aggregation, and monetization of personal and commercial data. And with each new abuse, their dominance is further entrenched, and their ability and

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incentive to push the boundaries even further grows. Again and again, we've seen tech monopolists exploit the sensitive data of business users, news publishers, and consumers alike, often running ramshod over past promises only after they've consolidated markets. In the short run, these bills take direct aim at Big Tech's corporate spying and include affirmative defenses for consumers' privacy and security. In the long run, fostering healthier markets in which participants are forced to actually compete on the merits will allow consumers to vote with their feet by choosing platforms that respect our privacy and human rights.

- ***Harms to Marginalized Communities.*** Big Tech companies amass extreme amounts of personal data to fuel their algorithms; there is [ample evidence](#) of the discriminatory harm that these [tools](#) can cause to already marginalized groups. For years, tech companies have been operating without adequate federal regulation and enforcement, forcing marginalized business owners to rely on broken online marketplaces and [racially-biased search algorithms](#) that pad their profits.
- ***Fueling Extractive Labor Practices.*** As Big Tech's monopoly power has expanded, so too has their downward influence on the American labor market. Amazon alone now counts roughly [1 out of every 150](#) American workers as employees. Their dominance allows their extractive labor practices to continue unchecked. Warehouses' [supercharged management systems](#) use surveillance, algorithms and data to drive abominable [labor practices](#): unbridled turnover, minimal human contact, an error-plagued leave system, delayed benefits and mistaken firings. Moreover, with their outsized influence over broad swaths of the economy, Amazon's practices don't just hurt their own employees – they depress worker pay and standards [across entire industries](#).
- ***Turbocharging Hate and Disinformation.*** Our current market structure allows Big Tech companies to operate with impunity. Dominant platforms amplify toxic content by design, and prioritize profits over public good, because they can; they know we have nowhere else to go. Even when 1,100 advertisers joined the Stop Hate For Profit boycott, [Mark Zuckerberg brushed it off](#), saying they'd be “back soon enough” – and he was right. We've seen Big Tech boost autocrats, censor activists, turbocharge conspiracy theories, and fuel racial violence around the world. So long as a few tech CEOs have this much power over the global flow of information and communications – manipulating public discourse for corporate gain – democracy and truth will continue to suffer.
  - [Rep. David Cicilline \(D-RI\) to Mark Zuckerberg](#): “Facebook hosts or enables countless pages and ads that are dedicated to conspiracy theories and calls to violence... And Facebook gets away with it because you're the only game in town. There's no competition forcing you to police your own platform. Allowing this misinformation to spread can lead to violence. And frankly, I believe it strikes at the very heart of American democracy.”