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High Tech Politics: Silicon Valley's Turn to the Right

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**HIGH TECH POLITICS:
Silicon Valley's Turn to the Right**

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When and why did the founders and investors of the most successful digital economy companies use their wealth, influence, and “megaphone” in the political arena to further extreme conservative policies – when and why did Silicon Valley turn right? The position of a few far-right individuals such as Peter Thiel and his associates have long been understood but the ability of the American tech sector to foster a long-term rightist agenda has become much more apparent in recent years. Here we focus on two major policy failures that fostered the turn to the right, a consequence of the Telecom Act of 1996 and the application of Justice Robert Bork’s principles of competition. After a brief overview, we review the internet’s initial promise to become a force for public good, minority and diverse interests, individual and social welfare and its subsequent abject failure to fulfil much of that promise. We will then address how and why the internet is a threat to democracy by virtue of the ways in which it has taken the turn to the right.

Economic Environment

The American high-tech sector emerged out of a milieu of the early to mid-twentieth century that celebrated the heroic inventor, lone geniuses who used their highly valued freedoms to take business as well as entrepreneurial risks, and the seemingly unfettered and rapidly growing free market. Iconic individuals such as Thomas Edison, Nicola Tesla and William Shockley embodied those values and by developing both products such as electrical power systems, wireless communication and transistors as well as the businesses that brought them into the market, fostered the ideals that paired technology with enterprise.¹ This version of the “myth of the market” has now been over a century in the making (Oreskes & Conway 2023) and has long been supported by neo-conservative views as well as economic doctrines of free and “efficient” markets associated with the “Chicago School”.

It's proximate beginning was with small industrial trade associations and groups – particularly in the electrical industry – pushing for less regulation and control over their industry. In addition, over the last 50 years rightwing plutocrats² have poured money into think tanks, non-profit

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¹Tesla and Shockley held deeply conservative, racist and reactionary political views.

² Plutocrats refer to the wealthiest members of society who use their immense wealth to influence public policy, shape political decisions, finance political candidates of their choice, and otherwise assert social control with their wealth (Wikipedia 2025). An oligarchy is “when men of property [wealth] have the government in their hands” according to Aristotle as quoted by Winters (Osnos 2025).

foundations and other vehicles to promote their agenda of unfettered competition, self-serving regulation and low taxation (Mayer 2016).

These actions have morphed into a web of organizations, sometimes funded by dark money, which have and are promoting the notion that the individual is primary, there is no need for the state, indeed, no intervention or control by government is required. The notion has been promoted by television programs, “think tanks,” the movie industry – no more *Grapes-of-Wrath*-type movies, rather romantic-comedies (rom-coms) and action movies. Books such as the *House on the Prairie* series by Laura Ingalls Wilder, *The Fountainhead* and *Atlas Shrugged* by Ayn Rand promote this notion. Leading scholars of the mid-20th century such as Milton Friedman, Ludwig von Mises, and Friedrich von Hayek gave “intellectual” cover to the notion that the market was all powerful and all correcting.

Ronald Reagan promoted the myth that competition will correct any imperfections and made it his presidential agenda, as did presidents after him. Despite its evident flaws (Oreskes & Conway 2023, Stiglitz 2024) after a century of propaganda, the myth of market infallibility continues in many individuals’ minds. Especially for new technology enterprises, it laid the foundation for the justification of extraordinary wealth acquired by tech entrepreneurs and their funders. They earned it, they deserve it...

How can plutocrats have such an influence in the age of mass media and participatory democracy? They have used what Hacker and Pierson (2020) characterize as the three Rs: resentment, racism, and rigging to which immigration phobia and wokeism need to be added. All of these are used to support the narrative that the main difference between the plutocrats and the rest is that they have managed to avoid the pitfalls that liberal democracy throws up – and others could do so if practices were changed to give everybody the opportunity to acquire wealth. All of these also have a digital economy manifestation, from providing mechanisms to rig outcomes to amplifying fringe positions and making them appear plausible.

Those who do not “make it,” regardless of circumstances, are looked down on, as Sandel so aptly put it in the title of his book, *The Tyranny of Merit* (2020). The “meritocracy” ignores the poor education system, lack of mobility, lack of pre-and post-natal care, inadequate healthcare system, entrenched (and growing) inequality and racism, etc. that have contributed to their low caste status in the society in the view of the meritocracy (Sandel 2020). The left has ignored this bias, and the right uses it to drive voters to their side. Much of this is promoted via the megaphones and silos of social media. The silos isolate the users from alternative voices and are self-reinforcing.

Case and Deaton’s *Deaths of Despair and the Future of Capitalism*, discusses the plight of those non-college educated whites in low paying jobs that have led many to alcohol and opioid addiction. They lay the blame, *inter alia*, on the healthcare system in the United States which is expensive and non-inclusive as compared to Europe, which did not and does not have this problem. However, none of these problems suggest economic solutions. The tech plutocrats focus on their primary goals: reduced or no taxes on income, corporate gains, inheritance; minimum regulation to raise profits often at the cost of polluting the environment and accelerating climate change.

Libertarians emphasize individualism and – more importantly for the purposes of this paper – that the entrepreneurs deserve the wealth they have obtained.³ While the high-tech founder and funder take personal credit for their achievements, they conveniently overlook the fact that the foundation of the internet (and many other innovations, products, and services) was the result of government research and investment. Although they seem happy to embody the glories of the internet and other new technologies, these did not spring out of Mark Zuckerberg's, Jeff Bezos' Bill Gates' nor Elon Musk's heads.

Internet's Promise and Failure

The internet promise was enticing – it would be a mechanism for free speech – individuals could expand their speech and not be burdened by the large cost of broadcast radio and TV. It was the equalizer, individuals would have direct control; hence, the democratic process would be improved because everyone would have an equal voice. Moreover, it promised to be a mechanism for unfettered entrepreneurship, economic efficiency and growth along with many other social and personal benefits.

Policy failures are largely responsible for its failure to live up to this promise. The passage of the Telecom Act of 1996, Section 230 of which allowed internet platform providers such as Amazon, Facebook, Google, and others to avoid any liabilities for the content they carried over their platforms is one egregious example of policy failure. The consequence has been that there is no need to curate or even take minimal responsibility for content. This has led to online harassment, cyberbullying, hate speech, fake news, misleading information of all types, false claims, doxxing, and more nefarious practices.⁴

With no curation, the internet is and has become a swamp of misogyny, racism, hate speech, cybercrime and a variety of misinformation⁵ and it exposes one to susceptibility to manipulation (Lazer, *et al.* 2018, Gradon 2025).⁶ In addition, by focusing on the users' demographics, social media is, "weaponizing societal fault lines." People with political agenda are attacking target populations based on race, politics, ideology, economy, and/or religion to amplify and exploit existing grievances (Gradon 2025). (Isaac & Schleifer 2025).

All of this is amplified by the majority of the population receiving their "news" over online shows and social media. Television, radio, and print media are all declining (Pew Research Center 2024). Thus, the veracity of social media becomes even more critical to democratic discourse.

³ The terms liberal and libertarian have several different meanings depending on the historical timeline. The meaning of Libertarianism as used throughout this paper is a philosophy, which believes that the individual is primary. Government should only serve a minimum of functions, such as defense. Otherwise, the government should keep its hands off.

⁴ Doxing is "...search for and publish private or identifying information about (a particular individual) on the internet, typically with malicious intent" (Oxford dictionary).

⁵ See Gradon (2025) for a discussion of dis, mis-and mal-information, and propaganda.

⁶ See Lazer *et al.* (2018) for a review of some of the extensive literature that shows how the various forms of fake information elicit negative emotions, which, in turn, makes people more susceptible to manipulation. Moreover, emotional content is more likely to go viral.

While the right and left did not differ substantially in online outlets (191 to 129) in one study, the right had an overwhelmingly larger audience – 82% or 480.6 million compared with 104 million followers and subscribers to the left leaning shows (Gogarty 2025). Nevertheless, many Republican politicians feel that some platforms in the digital economy are biased against conservative views. This appears to be the principal reason for antitrust actions during the first Trump administration.

A major policy failure was not recognizing the market for advertising. *The Antitrust Paradox* (Bork 1978, 1993) argued there was no need for antitrust action if there was no harm to consumers (Alleman 2024). This notion was widely accepted by George H. Bush's administration and following administrations until the Biden administration and the influential appointments of Lena Khan as Chair of the Federal Trade Commission and Gary Gensler as Chair of the U.S. Securities and Exchange Commission. Facebook, Amazon, Google, Twitter, and most of the high-tech industry did not charge for their services, so, allegedly, there was no harm to consumers, so the story went. According to Bork, there was therefore no need for antitrust intervention.⁷

What the antitrust authorities failed to recognize was that retail advertising is a second side of the market. As the platform charged retailers to advertise on their platforms, the advertising side was extremely lucrative because the retailers could precisely target their advertising to the most potential customers of that product (Alleman 2024). The lack of enforcement of competition laws led to the growth of the giant monopolies of today which will be difficult to unwind.

Moreover, the industry could extract monopoly prices for their advertising because of the laser-like focus on the companies' users. From the political perspective, this data was invaluable in elections. Cambridge Analytica showed how elections could be won by precisely targeting individuals with messages directed to their biases, preconceptions, and prejudices (Wylie 2018). Misleading, or false information is not precluded if it directs their votes in the desired direction.

Bork's theory of competition policy became associated with the unfettered growth of mergers and acquisitions by the platforms. Had it not been for his influence and that of others fostering the libertarian philosophy adopted by the United States government, most of the mergers and acquisitions in the digital economy would not have been allowed (Tepper 2018). The major digital companies have acquired many companies and merged with others without any constraints.

⁷ More recently, this advertising market has been recognized in the antitrust case against Google (McCabe and Grant 2023), and it has been found guilty (Liedtke 2025). In addition, it has also been found guilty of monopolizing the search market (United States, *et al. v. Google, LLC*, No. 20-cv-3010 (APM) (D.D.C. Aug. 5, 2024), Dkt. No. 1033). Other antitrust cases have been filed in the United States against Amazon, Apple, and Meta. In the cases of Meta and Google, the first Trump administration, it is alleged, filed these cases because it thought that the firms were censoring right-wing voices (McCabe 2025). The European Union (EU) has been more aggressive in competitive policy enforcement. The EU has found Apple guilty of antitrust violation and have been fined €1.84 billion in 2024 and an additional €500 million in 2025. Google was fined a total of €8 billion between 2017 and 2019. Meta was fined just under a billion Euros (€979.71) in two separate cases.

The irony here is that neoclassical economics emphasizes competition as a mechanism to control the excesses of the marketplace, but the authorities, legitimated by Chicago School ideology, did not act to stop any of these acquisitions or mergers. The other digital platforms also pursued a similar strategy which led to large and powerful digital platforms with no competition, each exercising its oligopoly power by charging excessive prices, slowing innovation and economic growth. We, briefly, examine the larger platforms and their key to power.

Digital economy companies benefit from the rightist political agenda.

Amazon

One of the largest companies in the world by market capitalization. Beginning by selling books online in 1995 and has expanded to selling everything online. It has had over two hundred acquisitions since its founding. While most of the acquisitions were competitors or near competitors, the antitrust authorities have not restrained these acquisitions (Kahn 2017).⁸

Its other strategy was different. It would examine what consumers are buying off their platform and if it were profitable they would start producing it on their own, giving preference in the search engine to its own products or services. Amazon and the other companies discussed in this paper were not subject to antitrust action because of the flawed application of Bork's version of price theory and its narrow 'consumer welfare' position.

Apple

As with Amazon, Apple initially grew "organically"; i.e. without significant acquisitions for about its first ten years, shifting in 1988 to acquire a group of software developers (Network Innovations, Orion Network Systems, Styleware and Nashoba Systems, and Coral Software in January 1989). After a hiatus of eight years, it initiated a long period of acquisitions, beginning in 1997 with NeXT for \$404 million and a further 18 companies in the following five years for a total close to \$1 billion. After another break of three years, Apple routinized the process, buying 103 companies, some large, such as Beats, acquired for \$3 billion, and Intel's smartphone modem business for \$1 billion and portions of Dialog Semiconductor for \$600 million. It also has taken large stakes in strategic businesses including Akamai (in 1999 for \$12 million) and Didi Chuxing in 2016 for \$1 billion (Wikipedia 2025a). While it is difficult to discern one overall strategy for acquisitions, a pattern emerged both of increasing horizontal integration and a reliance on a low-enforcement regime for market-shaping companies. After relying on government-sponsored R&D for almost all the most valuable of its products (Mazzucato, 2024), Apple falls into line pushing for an unincumbered market, small government and minimum taxation for the wealthy.

Alphabet/Google

Google was founded in 1998 and, unlike Amazon and Apple, was quick to begin its acquisition processes, starting less than two and a half years later with two acquisitions and continuing at a pace of over 25 companies each year since on average. Among its early acquisitions was

⁸ Khan (2017) has an excellent review of anticompetitive behavior of Amazon.

YouTube in 2006 for \$1.65 billion and DoubleClick the next year for \$3.1 billion. In 2011 it acquired Motorola Mobility for \$12.5 billion. Within little over half a year it bought Waze for just under \$1 billion and Nest Labs for \$3.2 billion (2023-2014).

More recently it paid over \$1 billion for Looker (2021) and FitBit (2021) and Mandiant (in 2022 for \$5.5 billion). In March 2025 it acquired Wiz for \$32 billion.

Perhaps because of its strong standing in the advertising and media sectors, the company has been more well attuned to subtleties of market shaping and the associated political positions. As forestalling competition became central to its business strategy and local government practices in the Silicon Valley region threatened to limit their actions, Google made further efforts to represent the 'creative', 'heroic' and 'individualistic' image at the expense of egalitarian, distributive and democratic values.⁹

Microsoft

Bill Gates also came to adhere to right wing values as his company moved from a pioneer of distributed computing and mass-application software to devising an intricate strategy of using operating systems, and later applications of all kinds, as private infrastructure.

This could not be devised as a utility, even if entirely private, lest it become regulated in the public interest. By fostering a variety of strategies to lock in consumers, from interoperability to steep learning curves to subsidized training, Microsoft designed and maintained a dominance in the marketplace that remains almost unassailable.

While Microsoft also grew by acquisitions and in particular broadened its reach into gaming, cloud computing, artificial intelligence and, *inter alia*, less successful ventures such as social networks and mobile telephony, its main arguments for being allowed to protect its dominance rested on variations of the claim that only they had the skill, creativity, and crucially the scale to continuously innovate in operating systems, cloud services, software tools applications.

Bill Gates' high-profile use of his philanthropic activities not only furthers the notion that plutocracy is essentially a benevolent system where people who may be brilliant at managing software development and able to build gargantuan companies are also best suited to determine social policy, public health ventures and poverty reduction. While making considerable effort to appear in tune with politically centrist forces, this led to the marriage of images of enlightened plutocracy with benevolent capitalism, as evidenced by the Gates Foundation's pressure to ensure that the property rights that emerge out of funded research should be dealt with through private rather than public ownership.

Meta

Facebook has had over ninety acquisitions. Most prominent among them were WhatsApp and Instagram, two companies which could have offered stiff competition to Facebook. Facebook's

⁹ All the while presenting itself as an enlightened company dedicated to environmental protection, social justice, and popular liberal causes.

strategy was to buy any potential competitor and “buy it (and integrate it into its product line) or bury it” (Kang, *et al.* 2025).¹⁰

Similar trajectories can be found for most of the other leading American digital economy companies including Nvidia, Tesla and others. All of the companies focused initially on the opportunities that largely unfettered markets afforded them, worked to foster the image of leaders unaffected by political allegiances but enlisting shareholders who helped to ensure that the companies could continue to be governed by practices allowing for aggressive competition, low taxation, and unbridled greed.

The pattern of ownership of these companies both reinforces and helps explain the sense of entitlement and confidence that they feel that contributes to their apparent immunity to competition law sanctions. Apple’s largest investors are Vanguard (7.18%), BlackRock (6.29%), Berkshire Hathaway (5.29%), State Street (3.93%), Fidelity Investments (2.38%), with smaller shares owned by the usual list of asset management companies including Geode, Goldman Sacks, Bank of New York Mellon, Investco, Morgan Stanley, Bank of America, J. P. Morgan, etc.

Alphabet’s largest shareholders is a list very similar in composition and even exposure to that of Apple with The Vanguard Group (7.25%), BlackRock (6.27%), State Street Corporation (3.36%), Fidelity Investments (2.07%), Geode Capital Management (1.76%) and T. Rowe Price (1.73%). The founders, Sergey Brin and Larry Page, each hold 3.0% of the company.

Silicon Valley’s Right Turn?

Until the mid-2000s, Silicon Valley was perceived as being neutral with respect to political leanings. It gave funds to both the right and the left – Republicans and Democrats. However, there were major players who were always conservative or libertarian. One of the most notable ones is Peter Thiel who made his initial money with PayPal. Elon Musk was his partner at PayPal. Musk deserves the whole section of comments for the moment; we will just note that PayPal was the initial foundation for his wealth.¹¹

Initially, high-tech companies such as Alphabet, Apple, Meta, and so forth, paid little attention to politics while they were nascent companies. For example, Google took several years before they had a representative in Washington (Taplin 2017). The companies used traditional methods of politicking: contributions and donations to both parties, both at the federal and state level. And in some cases, they used their technical skills and platforms to consult and guide election campaigns and aid candidates. Silicon Valley was viewed as progressive, although their history in politics was neutral: they gave contributions to both the Democrats

¹⁰ Meta is being sued by the Federal Trade Commission (FTC) for anticompetitive behavior by purchasing WhatsApp and Instagram (FTC 2025).

¹¹ As of this writing, Elon Musk has become the *de facto* co-president of the United States. In this role he has a huge conflict of interest. Prior to the election of Donald Trump, Musk had issue of safety violation of SpaceX, an SEC case for potential security violations, twenty-four investigations for violations of workers’ rights, hundreds of complaints about Tesla to the Consumer Financial Protection Bureau (CFPB) (Siddiqui 2025). These actions have been shut down by closing the cases or elimination the agencies. In addition, Musk’s companies hold tens of billions of dollars of government contracts. (Butler, *et al.* 2025)

and the Republicans. Their concerns were to prevent the government from interference. Their lobbying efforts, such as they were, were directed at keeping government's hands off their business.

Lack of Regulation

The lack of regulation on the part of the United States Government allowed these companies to grow. Bork's theory had shielded them from antitrust action and permitted their acquisitions and mergers. As the companies grew, they came under increasing pressure from the government to regulate them. The misinformation, fake news, the revelations of Cambridge Analytica (Wylie 2018), and more began to get Congressional attention.

Congressional concerns were not only the size of the companies: but, *inter alia*, the misinformation, hate speech, the power of social media, and users' privacy. Concerns were prompted as well as by the Cambridge Analytica scandal in which a researcher scraped data from Facebook's willing users, and then the data from their Facebook "friends" without their knowledge.

This data, and other data were used in political campaigns to persuade individuals – based on their extensive demographic profile – to vote in a particular way or not to vote at all. Wylie (2018) documents political campaigns in which the company was successful.¹²

The shift to the right in Silicon Valley's political alignment is much more complex to understand. It reflects an interplay of ideological beliefs, economic interests, and reactions to regulatory environments – a concern about government interference – regulation, antitrust, control of content, gig workers protection.

Many of the founders and funders of Silicon Valley's major companies were neo-libertarians. The most notable of these is Peter Thiel who, along with Elon Musk, developed PayPal and sold it to eBay for 1.5 billion dollars (Richtel 2002). But there were others (several in the so called "PayPal Mafia" – former PayPal executives who went on to become founders of their own successful tech companies) examples include David Sacks) who created Yammer, which was sold to Microsoft for 1.2 billion dollars (Rusli & Wingfield 2012). Sacks is now President Trump's AI and crypto czar. But he is not the only one.

Further examples of Silicon Valley intrusion into politics include Marc Andreessen (Co-founder of Andreessen Horowitz), Chamath Palihapitiya (Founder of Social Capital and former Facebook executive), Travis Kalanick (Co-founder and former CEO of Uber), Palmer Luckey (Founder of Oculus VR), and others.

¹² Cambridge Analytica was based in England. Before the English authorities were able to seize Cambridge Analytica's computers under court order, Facebook employees flew in and wiped the hard drives clean. We will not know to what extent the company may have interfered with the United States elections. We do know that Steve Bannon and representatives from Russian met with Cambridge Analytica prior to the 2016 presidential election (Wylie 2018).

Money Matters

Money matters in politics. While it is not always the candidate who spends the most money wins, but as shown in Figure 1, a high percentage of cases, money matters.

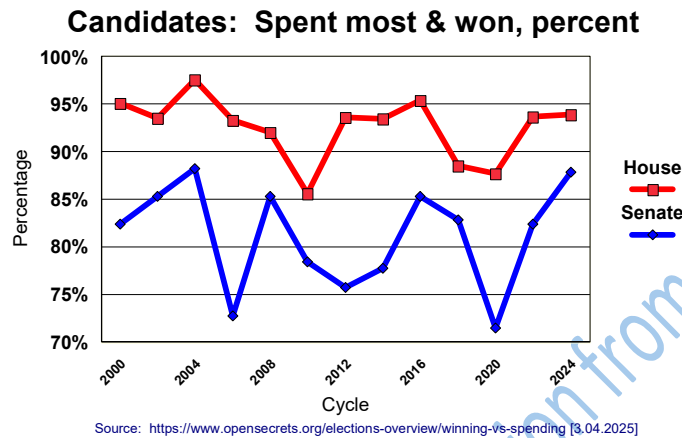


Figure 1 Spending.
Source: Open Secrets

Another example of the power of money was in an Ohio Senate race. A relatively unknown candidate, Bernie Moreno, defeated the three-term incumbent, Sherrod Brown, with the support of the crypto industry – forty million dollars of support – *via* crypto-backed super PACs: Fairshake and Defend American Jobs. Brown was viewed as a crypto skeptic while Moreno was favorable to crypto currency (Piper 2024).

It was not the only election crypto backers funded. The two super PACS and Protect Progress super PAC spent \$82 million on general elections in 19 states. Interesting, The advertisement did not mention crypto, but did raise other hot button issues such as immigration, the economy or border securities (Piper 2024).

Turning points in the politics of Silicon Valley began in 2016. Up until then, the libertarians were muted. Among the first to speak out was Peter Thiel who publicly supported Donald Trump during the 2016 presidential campaign. In 2016 Palmer Luckey, founder of Oculus VR, worked as an executive at Facebook after it purchased Oculus VR. When it was revealed that Luckey had donated to a rightwing group supporting Trump, he came under significant professional repercussions, since Facebook wanted to remain politically neutral. He left Facebook.

Another pivotal point came with the development of cryptocurrency. Cryptocurrency is heavily dependent on computer platforms. It relies on blockchain technology which means that many computers authorize the transactions; it is energy and computer intensive. Computer platforms are used to do so-called “mining” which require serious computer power.¹³

¹³ The difference crypto currencies do not operate in the same manner. Bitcoin, the largest crypto current uses a lot of energy to operate. Ethereum, the second largest crypto currency, uses significantly less energy due the way it validates transactions.

Cryptocurrency began in 2009. As it gradually grew noted venture capital firms such as Andreessen Horowitz and Sequoia Capital, later Goldman Sachs and BlackRock among others became involved. The government saw these developments as a problem. It viewed crypto as a way of money laundering and facilitating other illicit activities. The Securities and Exchange Commission views cryptocurrencies as securities, thus, it felt the sector should be regulated. The industry opposed any regulation, and they had deep pockets able to support and fund candidates and the causes of their choice – which they did.

Figure 2 shows the lobbying expenditures of five of the high-tech companies. Neither Microsoft nor Apple were internet platforms (they do have cloud services, however). They had a different agenda. The others had major concerns about regulating their platforms. Antitrust threats were and are looming, increasingly, privacy is an issue. The drop in Alphabet's lobbying expense – the largest corporate lobby spender at the time – is due to internal consolidation and streamlining its lobby efforts.

Amazon and Meta recently replaced Alphabet to become the two biggest corporate lobbying spenders, surpassing tobacco, and big oil (Chung 2012)!

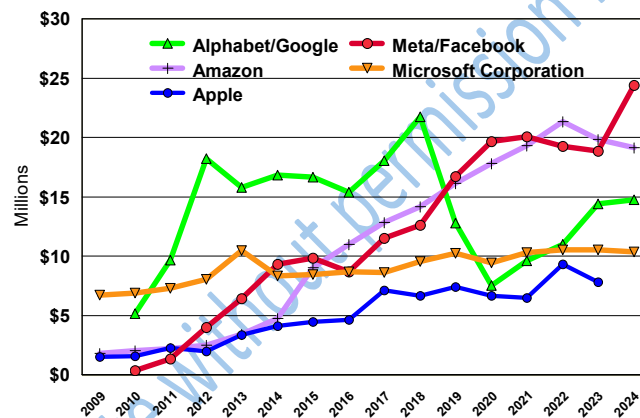


Figure 2: Lobbying Expenses
Source: Open Secrets

In addition to traditional lobbying efforts, Silicon Valley's financial muscle and its technology are reshaping politics through aggressive political campaigns. Two recent examples include Fairshake, funded by tech firms in the cryptocurrency industry. It spent \$10 million to oppose Katie Porter's candidacy for a California Senate seat. Fairshake falsely labelled her as anti-crypto which led to her defeat in the primary. The campaign was not simply to defeat this candidate, but to warn other candidates could suffer the same fate if they opposed cryptocurrency (Duhigg 2024).

Besides using its financial muscle, the sector used technology for its political ends. A law that threatened Airbnb's business, Proposition F, was defeated by mobilizing Airbnb's customers and framing Proposition F as an attack on innovation. Similarly, a campaign defended Coinbase against regulatory scrutiny, emphasizing the existence of a large block of crypto voters (Duhigg 2024).

Internet Platforms' Reach

There are two trends which amplify the internet platforms' reach. First, the United States number of cable subscribers has steadily decreased in the last 10 years; it has gone from 82% of subscribers connected to cable networks to approximately 25% as shown in Figure 3. This “cord-cutting” has meant that traditional sources of news are not as readily available. For example, CNN, Fox News, and MSNBC are all found on cable networks. This implies that the viewers must either stick with broadcast television (if available) or connect with the streaming services that offer news programming. But the viewership is opaque – Who is watching what?

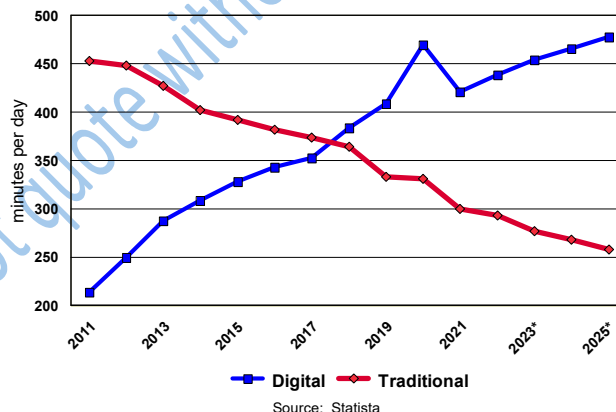
As it is neither easy nor convenient to switch from one streaming service to another in the same manner as it would be to switch cable channels. This leads to so-called “silos” in which everyone has their own “reality,” not knowing what others are watching.

TV households without cable

Figure 3

This movement is reflected in the trend to move away from traditional media and watch digital media as shown in Figure 4. From 453 minutes of traditional television watching per day, it drops to 258 minutes. Digital services, however, have climbed steadily – moving from 214 minutes to an estimated 478 minutes per day. The correlation between the series is negative 0.963. This indicates that the move from traditional media is offset one-to-one by the switch to digital media.

Digital v. Traditional Media, USA



Source: Statista

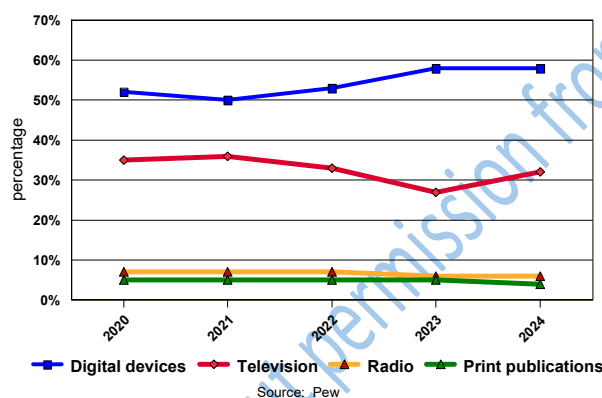
Digital versus Traditionnel Media

Figure 4

Of course, it is not only the news that is viewed on these media – sports, movies, and so forth are available. Surveys have shown that most adults, 83% in the United States, obtain their news from a smartphone or a computer tablet at least some of the time and 57% use them often for news. Indeed, a similar percentage, 58%, prefer the digital source while 32 prefer television (Pew 2024).

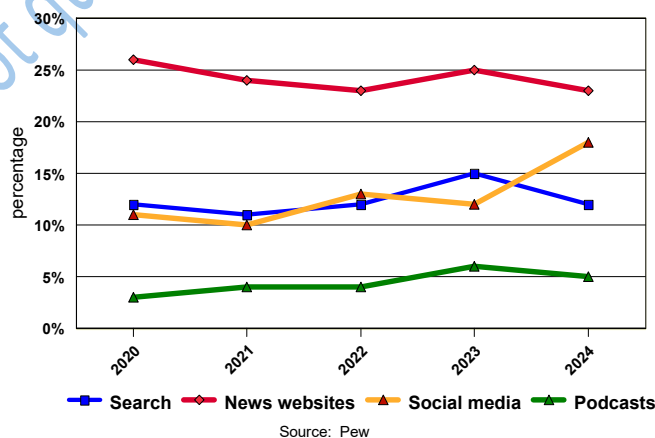
Figure 5 shows where people obtain their news. The majority Americans prefer their news from digital sources – approaching 60% of the population; television ranks second with about one-third of the population preferring this medium, but declining. Radio and print publications are low and declining – 7% and 5% in 2020 and falling to 6% and 4%, respectively In 2024 (Pew 2024). The implication of this is that the digital economy has become much more influential regarding what is seen and heard with respect to the news. But this lacks the commonality of pre-internet television, where everyone watched the same news broadcasts – all were similarly informed – no more! Hence, all the problems discussed above with internet platforms are more relevant as we move through time.

News Platform Preference: Where



News Platform Preference
Figure 5

News Platform Preference: How



New platform preference
Figure 6

How people receive their news has also shifted. A quarter of people obtain their newscasts from news websites on digital platforms as shown in Figure 6. Recall these can be sites such as MSNBC, Fox News, and some would say CNN. These are the silos alluded to earlier. MSNBC viewers are not likely to turn to Fox News and *vice versa*. These stations have vastly different perspectives. The set of “facts” viewers have may differ significantly from viewer to viewer, but they will be unaware of these “alternative facts.”

Beyond the traditional news sources now offered on the web, “search” and social media are sources of news, both of which have algorithms subject to bias and manipulation. These platforms which keep the people on their platform so various forms of “clickbait” are used to retain them (Wu 2016). The platforms’ incentives are not to inform or state the facts, but to keep you on the platform with sensationalism, shock value, emotional manipulation e.g., anger, outrage, or fear or other methods to get your attention and keep you on the site. Often it is at the cost of truth, but always for profit (Wu 2016).

Yet another instrument in the internet platforms’ tool kit is advertising. This is not simply having a platform for ads but collaborating with the candidates and their organization to direct, support and consult on the best methods to sway voters. The platforms’ staff operate as consultants on digital content and shaping digital strategy for the political staff. This ability has become more important when people are moving away from the traditional media as noted above. Moreover, this shift to digital has increased the amount of advertising dedicated to internet platforms. In 2008 the spending for digital platforms was under 2% (Borrell Associates 2009) to over ten times that amount by 2022 for the mid-term elections (approximately 22%) (Politico 2023).

These efforts reflect Silicon Valley’s growing ability to sway elections and shape legislation, showing how tech firms wield political power to protect their interests. Even more sinister is their ability to use the power of their platforms for political and economic gain. Today’s tech tycoons can be compared to the robber barons of the past, but with political tools beyond money – the power of digital technology. Concentration of economic power in the hands of a few threatens to erode democratic processes. Silicon Valley’s money-driven influence risks distorting legislation in ways that benefit the powerful rather than the public, undermining trust in democratic governance and reinforcing economic inequalities (Duhigg 2024).

Summary

The founders and funders in Silicon Valley did not precipitously swing to the right—most had long held right-leaning views. Up to recent times, however, most chose to remain neither prominent nor visible in their political expressions. Many of them identified as libertarian. Their political leanings became more evident only when they or their companies felt threatened. It was a confluence of forces that enabled the manifestation of the right-leaning viewpoints, led by the Silicon Valley founders and funders. The forces were:

- The move away from cable and broadcast television.

With the disconnection from mass media, the commonality of news and information was lost. Individuals move to their respective streaming services which comport with their views. And the platforms' algorithms are designed to keep them on the platform.

- The move toward silos of internet platforms controlled by opaque algorithms.

As users moved to different platforms, the platform used a variety of methods to retain the users since this produced more revenue. The goal of the platform was not to let the users leave their platform. They use various forms of clickbait: sensationalism, shock value, emotional manipulation and other algorithms to maintain the users on the service.

- The increasing push to shape regulation,

The industry, as with most industries, prefers to be unregulated, which it has been for a number of years. With the Biden administration, this changed. The appointments of Lena Khan to the Federal Trade Commission and Gary Gensler to Security and Exchange Commission signaled the administration's intent to regulate the industry, in particular Amazon and crypto currency. Khan wrote a significant article criticizing Amazon's predatory behavior. Gensler wanted the crypto currencies to be treated as securities and come under SEC control. Many major players had invested in crypto and were opposed to the sector being treated as securities with reporting requirements and other constraints.

- The lack of antitrust actions leads to excessive profits from the resultant monopolies.

The unchallenged mergers and acquisitions allowed the digital sector not only to grow, but to obtain monopoly status in their respective fields. This led to super profits, profits beyond what would occur in a competitive market. In the case of Meta and Alphabet this was a trillion dollars over ten years, as indicted earlier, making the founders and funders wealth beyond their wildest aspirations. Others in the sector had similar results.

- The growth of the founders' and funders' wealth.

While the rewards of the successful ICT companies and their owners were extraordinary, they wished to keep the largesse. With the wealth they could promote policies to ensure that they could keep it *via* lower income taxes, lower capital gains taxes, fewer estate taxes, and so forth. Moreover, they could lobby for legislation helpful to their companies: less regulation, tax exemptions, no curating of content and so forth.

- The ability to influence policy and elections with this wealth, and their efforts to protect their wealth.

We have indicated how Silicon Valley's wealth has influenced:

- legislation *via* lobbying,

- elections via campaign contributions and contributions in kind, including digital strategies, and
- support policies in their favor or attack policies not in their favor through their platforms.

For example, supporting candidates who are favorable to crypto currencies. The unprecedented contribution of a quarter of a billion dollars by Elon Musk to the Trump campaign is another. Apple, Amazon, Meta, and Tesla/X paid a million dollars apiece for their chief executives to attend Trump's second inauguration. These are the most obvious examples, but there are many others. The Citizens United decision opened the flood gate for corporate support of political candidates and their money poured in.

- The use of the platform as a tool to shape elections and policy.

More insidiously, platforms can be instruments to steer their users to candidates or preferred policy positions as in the Cambridge Analytica case. This is achieved by directing the users to candidates or policy positions the platforms favor, spreading mis- or false information to their advantage or other malevolent manipulations of the platform's algorithms.

The results are unsettling. Not only have these forces increased the income and wealth inequality in the United States but they have threatened the principles of democracy on which the country was founded.

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