Congress of the United States

Washington, DC 20515

July 20, 2022

The Honorable Gina Raimondo Secretary Department of Commerce 1401 Constitution Ave., NW Washington, DC 20230

Dear Secretary Raimondo,

We write in response to a recent report on the revolving door between the Department of Commerce and Big Tech companies, and its potential impact on global digital trade rules. This report indicates that key Commerce officials who previously worked for companies like Google, Amazon, Facebook (now Meta), and Dropbox now work at the Department, shaping key digital trade policies. The abundance of Big Tech alumni within the Department raises concerns that the needs of consumers, workers, and small businesses are ignored in favor of Big Tech's profits and priorities.¹ We request further information about the role of former Big Tech employees in digital trade policy, and the safeguards that the Commerce Department has in place to prevent corruption and ensure that corporate interests do not undermine the digital rights of global consumers, workers, and small businesses.

Data is money in our digitalized economy – and its exploitation can be dangerous. From social media to healthcare, gig work to financial services, our industries run on massive amounts of data generated by users, consumers, and workers. And while data can spur innovation, profitdriven exploitation of data can greatly harm individuals and our economy. For example, data brokers' collection and sale of cellphone-based location data of people who visit abortion clinics risks their safety.² Amazon deploys digital surveillance systems in its warehouses to enforce draconian quotas, resulting in dramatic increases in worker injuries.³ And giant platforms like Facebook, Google, and Amazon harvest data from smaller competitors in order to copy their products, crush competition, and steal profits.⁴

Congress is considering important steps to rein in Big Tech and protect consumers, workers, and small businesses, as are trading partners like the European Union (EU). But Big Tech companies want to continue to exploit our data unchecked, and are deploying hordes of lobbyists to stop

¹ The American Prospect, "Big Tech's Back Door to Digital Trade Rules," Mekedas Belayneh, June 14, 2022, <u>https://prospect.org/power/big-techs-back-door-to-digital-trade-rules-commerce-gina-raimondo/</u>.

² Office of U.S. Senator Elizabeth Warren, "Warren Leads Senators Blasting Data Brokers for Collecting and Selling Cell Phone Location Data of People Who Visit Abortion Clinics," press release, May 18, 2022, <u>https://www.warren.senate.gov/oversight/letters/warren-leads-senators-blasting-data-brokers-for-collecting-and-selling-cell-phone-location-data-of-people-who-visit-abortion-clinics.</u>

³ The Washington Post, "Amazon's employee surveillance fuels unionization efforts: 'It's not prison, it's work'," Jay Greene, December 2, 2021, <u>https://www.washingtonpost.com/technology/2021/12/02/amazon-workplace-monitoring-unions/</u>.

⁴ Columbia Law Review, "The Separation of Platforms and Commerce," Lina M. Khan, May 2019, <u>https://columbialawreview.org/content/the-separation-of-platforms-and-commerce/</u>.

legislatures from acting.⁵ At the same time, Big Tech is seeking to weaponize global digital trade rules, painting privacy regulations or competition policy as unfair "barriers to trade" in order to tie regulators' hands.⁶ These supposed "barriers" include: protecting workers' rights by conditioning permission for a company to do business in a country on meeting local labor and health and safety policies; safeguarding consumer privacy by establishing rules regarding what personal data companies can and cannot collect, store, and transmit; and combatting anti-competitive practices by Big Tech firms through limiting mergers and other monopolistic behavior.⁷ You and your department are at the center of these discussions on digital trade, engaged in both the U.S.-EU Trade and Technology Council (TTC) and the Indo-Pacific Economic Framework (IPEF) negotiations,⁸ and you have a responsibility to negotiate these pacts in a way that prioritizes the best interests of workers, consumers, and small businesses over the profits of Big Tech companies.

The use of the revolving door is not a new problem at the Commerce Department: a review of executive branch staff under Presidents George W. Bush and Barack Obama found that 18 percent of Commerce appointees were registered as lobbyists before or after their government service (or both), the highest of all Cabinet departments.⁹ Likewise, a recent analysis by the Revolving Door Project highlighted Big Tech's current influence within the Department, , with several former employees for companies like Google and Amazon filling key Commerce roles.¹⁰

For example, former Commerce Deputy Assistant Secretary Christopher Hoff has taken several dizzying turns through the revolving door between your agency and Big Tech.¹¹ Hoff worked on digital trade policy at the Commerce Department during the Obama Administration, but left in 2015 to work for law firms that represent Big Tech.¹² In 2021, Hoff returned to Commerce as Deputy Assistant Secretary for Services at the International Trade Administration, where he has continued to push for weaker data regulation that would permit Big Tech companies to extract

⁵ Bloomberg, "Lobbying Intensifies Over Undecideds on Antitrust Bill," Leah Nylen, Maria Curi, and Alicia Diaz, June 6, 2022, <u>https://www.bloomberg.com/news/articles/2022-06-07/lobbying-intensifies-over-senate-undecideds-on-antitrust-bill</u>; TechCrunch, "Report reveals Big Tech's last minute lobbying to weaken EU rules," Natasha Lomas, April 22, 2022, <u>https://techcrunch.com/2022/04/22/google-facebook-apple-eu-lobbying-report/</u>.

⁶ Public Citizen, "53 Organizations Warn About Harmful Provisions in 'Digital Trade' Pacts," press release, November 2, 2021, <u>https://www.citizen.org/news/53-organizations-warn-about-harmful-provisions-in-digital-trade-pacts/</u>.

⁷ Rethink Trade, "Stop the Big Tech "Digital Trade" Sneak Attack!," <u>https://rethinktrade.org/toolkit/stop-the-big-tech-digital-trade-sneak-attack/</u>.

⁸ U.S. Department of Commerce, "U.S.-EU Joint Statement of the Trade and Technology Council," press release, May 16, 2022, <u>https://www.commerce.gov/news/press-releases/2022/05/us-eu-joint-statement-trade-and-technology-council</u>; The White House, "On-the-Record Press Call on the Launch of the Indo-Pacific Economic Framework," press briefing, May 23, 2022,

https://www.whitehouse.gov/briefing-room/press-briefings/2022/05/23/on-the-record-press-call-on-the-launch-of-the-indo-pacific-economic-framework/.

⁹ Congressional Research Service, "Executive Branch Service and the 'Revolving Door' in Cabinet Departments: Background and Issues for Congress," Jacob R. Straus, October 7, 2019, <u>https://sgp.fas.org/crs/misc/R45946.pdf</u>.

¹⁰ The American Prospect, "Big Tech's Back Door to Digital Trade Rules," Mekedas Belayneh, June 14, 2022, <u>https://prospect.org/power/big-techs-back-door-to-digital-trade-rules-commerce-gina-raimondo/</u>.

 ¹¹ LinkedIn, "Christopher Hoff: Experience," <u>https://www.linkedin.com/in/christopherhoff/details/experience/</u>.
¹² The American Prospect, "Big Tech's Back Door to Digital Trade Rules," Mekedas Belayneh, June 14, 2022, https://prospect.org/power/big-techs-back-door-to-digital-trade-rules-commerce-gina-raimondo/.

data from people with little government oversight.¹³ In fact, at an industry conference in November 2021, Hoff reportedly "parroted Big Tech's trade goals of lax privacy laws"¹⁴ and noted specifically that Commerce plans to combat data localization requirements, a regulatory tool against which Big Tech has lobbied furiously for years.¹⁵ Just this month, Hoff announced that he is going to work for Microsoft as general counsel for privacy and regulation – in other words, for one of the key companies impacted by his work at Commerce on the exact issues he worked on.¹⁶

Hoff's tenure at Commerce is just one example of the threat of corporate influence on digital trade regulation. Revolving Door Project has identified numerous key officials, including members of your own staff that previously worked for Google and Amazon. These officials include Luis Jimenez, a former Google lobbyist who now serves as your deputy chief of staff, and Ted Dean, a former pro-tech Commerce official who is reportedly back at Commerce to lead the TTC negotiations after a stint heading Dropbox's public policy shop.¹⁷

These reports – combined with your own stated commitment to protect Big Tech's market share from EU regulation¹⁸ and unanswered questions about your meetings with Big Tech¹⁹ – raise serious concerns about your agency's approach to digital trade policy in the TTC and IPEF. The American people deserve to know that your agency is working on their behalf and not for past or future Big Tech employers.

We have introduced the *Anti-Corruption and Public Integrity Act*, which, if passed into law, would firmly shut the revolving door.²⁰ But it is also your responsibility and within your power as Commerce Secretary to raise ethical standards and crack down on corruption. It is disappointing that you have chosen not to do so.

To better understand the exact nature of your and your department's relationship with Big Tech companies and the policies and procedures you have in place to prevent conflicts of interest

¹⁴ Id.

¹³ Id.

¹⁵ BBB National Programs, "A globalized CBPR framework: Peering into the future of data transfers," Cobun Zweifel-Keegan, November 30, 2021, <u>https://bbbprograms.org/media-center/bd/insights/2021/11/30/a-globalized-cbpr-framework-peering-into-the-future-of-data-transfers</u>.

 ¹⁶ LinkedIn, "Christopher Hoff: Experience," <u>https://www.linkedin.com/in/christopherhoff/details/experience/</u>.
¹⁷ LinkedIn, "Calynn Jenkins," <u>https://www.linkedin.com/in/calynn-j-9878ba69/</u>; LinkedIn, "Luis Jimenez," <u>https://www.linkedin.com/in/luis-jimenez1/</u>; The American Prospect, "Big Tech's Back Door to Digital Trade Rules," Mekedas Belayneh, June 14, 2022, <u>https://prospect.org/power/big-techs-back-door-to-digital-trade-rules-commerce-gina-raimondo/</u>.

¹⁸ Protocol, "Why the US can't stop fighting itself on tech policy," Ben Brody, December 16, 2021, <u>https://www.protocol.com/policy/warren-raimondo-big-tech;</u> New York Times, "Amazon C.E.O. Andy Jassy Breaks From the Bezos Way," David McCabe and Karen Weise, July 18, 2022,

https://www.nytimes.com/2022/07/18/technology/amazon-ceo-andy-jassy.html.

¹⁹ The Intercept, "COMMERCE SECRETARY GINA RAIMONDO WON'T DISCLOSE WHETHER SHE MET WITH BIG TECH, WATCHDOGS SAY," Sara Sirota, April 12, 2022, <u>https://theintercept.com/2022/04/12/big-tech-commerce-gina-raimondo-calendar/;</u> Politico, "Raimondo's calendar shows extensive corporate CEO meetings," Emily Birnbaum, June 21, 2022, <u>https://subscriber.politicopro.com/article/2022/06/raimondos-calendar-shows-extensive-corporate-ceo-meetings-00041004</u>.

²⁰ H.R. 9029/S. 5070 (116th Congress).

among Commerce Department staff, we respectfully request that you provide responses to the following questions by August 20, 2022:

- 1. What policies and procedures does the Commerce Department have in place to guard against conflicts of interest for employees who formerly worked for or may work in the future for Big Tech and other companies with business impacted by Commerce Department decisions?
- 2. Are you considering any policy changes to address ongoing concerns about the revolving door between Big Tech and the Commerce Department resulting in Big Tech firms having undue influence over trade policy?
- 3. How many Commerce Department officials and staff involved in digital trade policy, negotiations, and agreements (including issues like data privacy and security, data localization, etc.) have left the Department since January 20, 2021 and have since been employed, or are currently employed, by Big Tech companies or the law firms or lobbyists representing them?
- 4. How many Commerce Department officials and staff involved in digital trade policy, negotiations, and agreements (including issues like data privacy and security, data localization, etc.) since January 20, 2021, worked for one or more Big Tech companies (including Alphabet, Amazon, Apple, Meta, Microsoft, Netflix, Oracle, Twitter), or law firms or lobbyists representing them, in the four years prior to their current tenure at the Department?
- 5. For each of the Commerce Department officials in questions #3 and #4, please provide the following information:
 - a. When they came to the Commerce Department and when they departed, if applicable;
 - b. What Big Tech company or law firm or lobbyist that they went to or came from; and
 - c. What position(s) they served in the Commerce Department, and what their specific responsibilities were in those positions, including any matters they worked on that may have affected their former or future Big Tech employers.
- 6. With respect to digital trade policy, negotiations, and agreements (including issues like data privacy and security, data localization, etc.), did any of the Commerce Department officials and staff identified above:
 - a. Participate in meetings with Big Tech companies, or lobbyists or law firms representing them;
 - b. Participate in meetings with their former or future employer; or
 - c. Help prepare for or follow up on any such meetings?
- 7. For each of the meetings in question #6, please provide the following information:
 - a. The date and time;
 - b. The participants; and

- c. The content of discussion.
- 8. To what extent are the Commerce Department officials and staff identified above involved in the:
 - a. Indo-Pacific Economic Framework;
 - b. U.S.-EU Trade and Technology Council; and
 - c. Any other digital trade initiatives overseen by the Commerce Department?

Thank you for your attention to this matter.

Sincerely,

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Elizabeth Warren United States Senator

Pramila Jayapal Member of Congress