

MEMORANDUM

TO: Interested Parties
FROM: American Edge Project
RE: Washington Out of Touch with Frontline Voters, Who Oppose Breaking Up U.S. Tech
DATE: September 2021

New Poll: Voters Want Lawmakers to Focus on Security, Jobs – Not Breaking Up Tech Companies

Nine-in-10 Support Candidates Who Ensure U.S. Tech Remains Globally Competitive

As Congress considers legislation to break up U.S. tech companies and the midterm election cycle kicks off, a new poll finds that voters in frontline districts oppose these proposals and want their elected officials instead to focus on issues affecting national security, jobs, and health care. Voters see breaking up U.S. tech companies as misguided and believe it will harm America's national security and economy.

As a result, these voters are signaling that candidates in competitive districts who advocate for these overreaching proposals will lose support in 2022.

The poll, conducted Aug. 13-23, 2021, by Ipsos on behalf of the American Edge Project, surveyed 708 registered voters across 32 congressional frontline districts.

Key findings include:

- **Policymakers pushing tech regulation are out of touch with their voters and pursuing a low priority issue.** Voters rate regulating U.S. tech companies as a comparatively low priority (65% top-major priority), below all others tested. Only 19% of voters in frontline districts say it is their top priority. Instead, they want their representatives to focus on protecting American national security (91% top-major priority, 61% top priority), jobs (88% top-major priority, 52% top priority), and health care (86% top-major priority, 58% top priority).
- **There is virtually no constituency for breaking up U.S. tech companies.** Despite recent efforts to break up U.S. tech companies, just 14% support such a move, including just 15% of Democrats, 12% of independents, and 12% of Republicans. Moreover, 42% believe the domestic tech sector should **not** be regulated more than it is today, including 30% of Democrats, 44% of independents, and 52% of Republicans. These voters want to see some regulation, but believe breaking up U.S. tech companies is not the solution.
- **Voters in frontline districts believe breaking up tech companies will harm the economy, national security, and small businesses.** Voters in frontline districts are intimately worried about the economic consequences that could result in breaking up U.S. companies. They are concerned that:
 - *Without the top American companies intact, the U.S. could be less economically competitive* (83% concerning, 75% believable)
 - *There could be unintended negative consequences like greater threats to U.S. national security and the U.S. losing its economic competitive edge* (84% concerning, 74% believable)

There is also significant concern among voters about the potential national security implications. They are concerned that:

- *U.S. consumers and national security could be more vulnerable to cyber attacks* (87% concerning, 77% believable),
- *Critical infrastructure could be more vulnerable to cyber attacks* (87% concerning, 77% believable)
- *America could be less able to conduct counterterrorism efforts because would-be terrorists will be more dispersed across multiple platforms, making it more difficult for law enforcement to find them* (84% concerning, 70% believable).

There is additional concern about the impact breaking up tech companies will have on small businesses. Voters are worried that:

- *American small businesses that rely on tech platforms to reach consumers could be hurt because they could be forced to buy into additional platforms to reach the same number of consumers (83% concerning, 78% believable).*
- **As a result, voters in frontline districts believe breaking up tech companies is a misguided solution that does more harm than good.** Nearly all voters in frontline districts agree *U.S. tech companies need better rules when it comes to how they use our data, and how they impact small businesses, but breaking up U.S. tech companies does not actually fix any of these problems* (80% agree) – including most Democrats (81%), Republicans (80%), and independents (73%).

| | % Agree | Total | Dem | Ind | Rep |
|---|---------|-------|-----|-----|-----|
| <i>U.S. tech companies need better rules when it comes to regulating their content, but breaking them up does not address this issue</i> | | 80 | 80 | 85 | 79 |
| <i>U.S. tech companies need better rules when it comes to how they use our data, and how they impact small businesses, but breaking up U.S. tech companies <u>does not actually fix any of these problems</u></i> | | 80 | 81 | 73 | 80 |
| <i>There are other, bigger problems facing the United States, <u>like recovering from the coronavirus pandemic</u>, we should not be focused on breaking up U.S. tech companies right now</i> | | 78 | 86 | 69 | 72 |
| <i>There are other, bigger problems facing the United States, we should not be focused on breaking up U.S. tech companies right now</i> | | 77 | 72 | 67 | 84 |
| <i>U.S. tech companies need better rules when it comes to how they use our data and how they impact small businesses, <u>but breaking up U.S. tech companies is not the right solution</u></i> | | 77 | 68 | 78 | 86 |
| <i>Breaking up U.S. tech companies won't help make consumers data any more private because the smaller companies that replace them would still have our data anyways</i> | | 74 | 70 | 74 | 78 |
| <i>Breaking up U.S. tech companies won't strengthen our economy</i> | | 67 | 61 | 73 | 71 |
| <i>There would be unintended negative consequences like greater threats to U.S. national security and the U.S. losing its economic competitive edge</i> | | 66 | 60 | 66 | 72 |
| <i>Breaking up U.S. tech companies threatens our national security by letting China gain a technological upper hand</i> | | 63 | 54 | 65 | 70 |
| <i>Breaking up U.S. tech companies puts our critical infrastructure at higher risk of being hacked</i> | | 63 | 60 | 62 | 65 |
| <i>Breaking up U.S. tech companies will only hurt America's competitiveness on the global stage</i> | | 63 | 60 | 66 | 66 |
| <i>Breaking up U.S. tech companies won't help small businesses be more likely to succeed</i> | | 60 | 56 | 62 | 64 |

- **Voters are signaling that they will shift away from candidates who support break-up.** The majority of voters in frontline districts say they could not vote for a candidate who supports *regulation that limits access to online tools and services, like Amazon Prime and Google Maps, and limits access to free social media services like Facebook, and Instagram* (52% could never vote). In contrast, nearly all voters could vote for a candidate who supports *creating new jobs* (96% could vote), *protecting small businesses* (95%), *protecting America's national security interest* (95%), and *ensuring U.S. tech companies remain globally competitive* (90%).
- **Democrats and Republicans alike have a very small margin for error** (+3 Net Democrat on the Generic Ballot) heading into the November 2022 election. Voters move away from a Democratic candidate who supports breaking up U.S. tech companies (+3 net Dem to -2).

This is a warning to candidates on both sides of the aisle, as this shift away from a Democratic candidate is driven by independents decisively flipping their vote preference (+14 to -2) and shrinking support among Democrats (+91 to +66). This movement puts Democratic candidates in a losing position. The table on the following page details this shift.

| | Generic ballot <i>(Net Democrat)</i> | Tech Regulation ballot <i>(Net Democrat who supports breaking up U.S. tech companies)</i> | Change |
|--------------------|--|---|---------------|
| Overall | +3 | -2 | -5 |
| Democrat | +91 | +66 | -25 |
| Independent | +14 | -2 | -16 |
| Republican | -89 | -72 | +17 |

- **The bottom line:** Voters in frontline districts want to see elected officials address the priorities that actually matter to them like national security, jobs and the economy, and healthcare. They view regulating tech companies as a relatively low priority. They ultimately see breaking up U.S. tech companies as a misguided policy, and candidates who support breaking up U.S. tech companies may pay a political price for it.

Additional methodology notes:

These are some of the findings of an Ipsos poll conducted between August 13 - 23, 2021, across 32 frontline House Congressional districts on behalf of the American Edge Project. For this survey, a sample of 708 adults age 18+ who are registered to vote in the U.S.

The frontline districts include: AZ-01, CA-10, CA-45, CA-49, CT-05, GA-06, GA-07, IA-03, IL-14, KS-03, ME-02, MI-08, MI-11, MN-02, NH-01, NJ-03, NJ-07, NJ-11, NV-03, NV-04, NY-19, OR-04, PA-07, PA-08, PA-17, TX-07, TX-15, TX-32, VA-02, VA-07, WA-08, WI-03

The sample was randomly drawn from Ipsos' online KnowledgePanel, the largest and most well-established online probability-based panel that is representative of the adult U.S. population. Samples from KnowledgePanel cover all households regardless of their phone or internet status and findings can be reported with a margin of sampling error and projected to the general population. The data were weighted to adjust for gender by age, race/ethnicity, education, Census region, metropolitan status, household income, race/ethnicity by gender, race/ethnicity by age, and race/ethnicity by education. The demographic benchmarks came from the 2019 American Community Survey (ACS) except for the metropolitan status, which is not available from the 1-year ACS data, were obtained from the 2020 March Supplement of the Current Population Survey (CPS).

The margin of sampling error is plus or minus 4.4 percentage points at the 95 confidence level, for results based on the entire sample of adults. The margin of sampling error takes into account the design effect, which was 1.45. The margin of sampling error is higher and varies for results based on other sub-samples. In our reporting of the findings, percentage points are rounded off to the nearest whole number. As a result, percentages in a given table column may total slightly higher or lower than 100. In questions that permit multiple responses, columns may total substantially more than 100, depending on the number of different responses offered by each respondent.

About American Edge Project

The American Edge Project is a newly formed coalition dedicated to the proposition that American innovators are an essential part of U.S. economic health, national security and individual freedoms.

For more information, visit <https://americanedgeproject.org/>

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