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# The new digital transformation: What happens when tech firms play politics?

‘It’s a difficult path to a brave new world’

Amanda Brock

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## **Amanda Brock examines Big Tech's political power, and the fine line governments have to walk in both learning from and regulating the likes of Meta, Google and Amazon.**

Our digital reality in 2025 was unimaginable 30 years ago. Technology's place in our everyday lives means tech companies not only have huge economic power but, perhaps more unexpectedly, political power. A heady cocktail of policy, tech and digital is confusing the waters.

It was hard to miss former UK Deputy Prime Minister Nick Clegg [stepping down from his role](#) as President of Global Affairs at Meta on 3rd January, following seven successful years as part of the leadership team of one of the biggest tech companies in the world.

Despite Clegg's employer being a tech company, his resignation was very much a political act. Clegg stepped aside to allow his more right-leaning assistant to step-up in a newly Republican USA, following the recent US election and to support Meta's relationship with President-elect Donald Trump, which has historically been a difficult one.

Clegg's former employers sang his praises as he departed, with CEO Mark Zuckerberg and COO Sheryl Sandberg grateful for the "lessons learned."

Clegg joined Meta at a time when the company was facing challenges with regulators. He joined to support the organisation's attempt to "meet government" with its own language, and steps away noting that his time at Meta "coincided with a significant resetting of the relationship between Big Tech and the societal pressures manifested in new laws, institutions and norms affecting the sector."

The world of Big Tech lobbying has long been a complex web of millions of dollars of

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## Upcoming events

long-term strategic spending: spending that enables influence and shapes decisions. When a member of the House of Lords expressed their surprise to me on finding that "tech was so political" a few months ago, my answer was simple: every political decision has an impact. That impact will today be the difference for large companies between whether or not they receive or retain billions of dollars in revenue.



Lobbying is not as prevalent in the UK as the USA, but is a growing issue

This web of influence and its impact on policy has been all too apparent across my career in open source. Open source is a global phenomenon, and companies involved in this space inevitably engage in law and policy in the US. There, the world of lobbying is very different from the UK. The divide has probably grown further in the last few years as we have seen the scale of a few US Big Tech firms grow to the extent they have.

What is consistent in open source software is that open source disrupts markets. It disrupts any sector or market that adopts it at scale and challenges existing business models and revenue streams. That adoption has a massive impact on incumbents, who unsurprisingly retaliate against those new market entrants.

I have observed many years of these challenges, and how the battles are fought. Today, we see this disruption in mobile and automotive. Twenty years ago, the battles took place in the tech sector around operating systems across the server, desktop and the early smartphone markets. The disrupted companies fought back through lobbyists and a network effect.

Big technology companies initially fought against open source, but gradually [transitioned to leveraging its value](#) and to adoption at scale. This has not come about through a desire to do good. These are companies that are in many cases listed on the

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As companies they are required to have a single driver: shareholder value. When they adopt open source, open source their code, outputs or products, or advocate for open source, they do so because it aligns with their core driver of shareholder value.

Open source is [good for business](#). Why? There are a number of different reasons, depending on the model of open source adopted:

In collaborative development, it's easier to work on problems and solve them together, with de facto standards in the lower end of the software stack, and shared costs.

Where companies have new innovations, open source can enable unprecedented adoption through its free nature, allowing its use without payment, and therefore adoption of its standard form licences without the barrier of some of the traditional gatekeepers on technology like legal, finance and procurement.

However, with so much goodwill around open source, this underlying driver of corporate activity is sometimes in danger of being forgotten in this freshly honed political tech landscape.

## Hiring doesn't work both ways

As our governments come to grapple with tech and business, and as digital underlies every aspect of the services delivered on their behalf today, they still lack the advantages of Google, Meta and other tech giants. The tech companies have had the advantage of the availability of the skills of government for hire; big tech businesses like Meta have benefited from former politicians like Clegg.

Governments do not have the wherewithal to hire these folks in reverse. Governments must take a cautionary view as they work out who to listen to in our digital landscape, and what the vested interests are. Governments must learn to understand the tech sector and those tech companies and innovators that lead the market.

Governments rightly seek to emulate those companies' processes and tools in managing their digital strategies, in order to benefit from the innovation and fast-paced, nimble models that tech companies like to shout about. They must learn to understand the iterative cycles of digital development.

## A fine line

In November, UK Secretary of State for Digital Peter Kyle rightly suggested that governments should show a little "humility" when dealing with tech giants. But, he

also pointed out these firms are so large and powerful that countries like the UK must interact with them the same way they would with a nation state. This trend continued into December when the second most senior member of Cabinet, Pat McFadden, suggested that we treat the UK like a start-up and big tech companies like sovereign nations.

There is a fine line here.

It is incumbent on our politicians to enable the delivery of public sector digital services in the most efficient and effective ways, [with an eye to the future](#) and not the past.

That may mean learning from the tech companies; by using the processes they would use to deliver services, and to ensure that these services are well delivered.

To be humble enough to learn from Big Tech is no bad thing. Indeed, as McFadden points out, public sector organisations should take more risks and be agile in how they deliver projects.

## Balancing risk and reward

The UK is a monster of legacy systems that must carefully transition to a more appropriate infrastructure of sustainable software. This is very different to the workings or needs of a startup, and the tech that the UK and other governments must learn from is not that of a startup organisation.

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**Companies have a legitimately selfish interest to satisfy shareholders. Governments must remember their remit is different.**

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We in the tech sector, and society as a whole, will need to learn to show a level of

forgiveness as this happens. For the necessary level of risk to be taken, there will be a level of failure that will accompany doing so in an appropriate way. Risk and failure must be understood and accepted when appropriate.

At the same time, the government must never forget its duty to regulate these same digital companies it needs to emulate, as well as its responsibility for the future tech and digital markets. For many years there has been a balance in the tech sector where a company is a competitor, a supplier and a customer, depending on the interaction we are looking at.

The relationship between government and tech companies will also have to tread a fine line. It must be advisory and exercised with discernment; government must engage, but must also understand the fundamental difference in drivers between a company, with its own legitimately selfish interests and shareholder value at its heart, and a nation state with a duty to its citizens.

It is a difficult path to a brave new world and one in which the public sector and government cannot treat tech founders and companies as global leaders of nation states.

OpenUK will be discussing this and many more issues at [State of Open Con](#) on 4th and 5th February in London.

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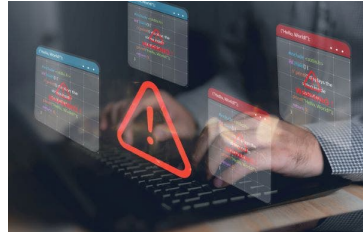


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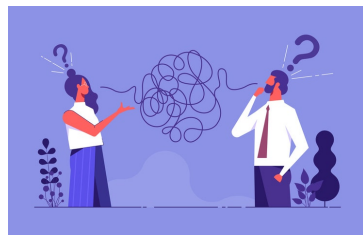


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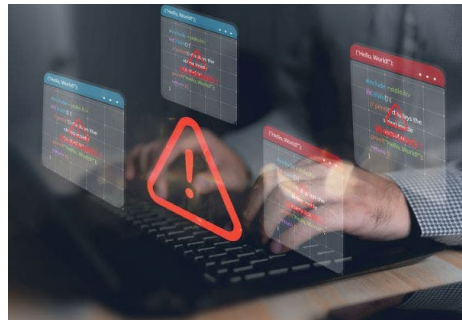
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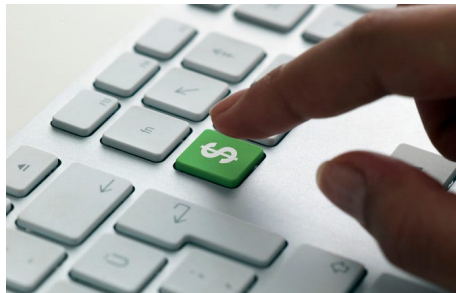
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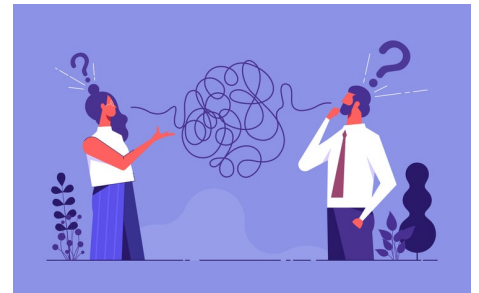
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