

Silicon Valley's heart with Obama but eyes stray

November 1 2012, by Glenn Chapman



A cameraman shoots the side of Facebook's Like Button logo displayed at the entrance of the Facebook headquarters in Menlo Park, California on May 18, 2012. Politically, liberal hipsters at hot Internet firms are inclined to tune into issues such as the environment and equality that put them in the camp of incumbent Barack Obama for the looming US election.

Silicon Valley is of two minds regarding who should be the next president of the United States.

Politically, liberal hipsters at hot [Internet firms](#) are inclined to tune into issues such as the environment and equality that put them in the camp of incumbent [Barack Obama](#).

But executives responsible for managing profits at firms can trend more conservative in their thinking, giving appeal to Republican challenger Mitt Romney, according to industry insiders.

Despite their disappointment with the "Internet president" during his first four years in office, technology firms remain major donors to his re-election campaign.

Microsoft and [Google](#) were behind only the University of California at the top of a list of Obama contributors disclosed by the Center for Responsive Politics.

The top five contributors for Romney were listed as financial institutions [Goldman Sachs](#), [Bank of America](#), Morgan Stanley, [JP Morgan Chase](#) and [Credit Suisse](#) Group.

However, the drive to grow and profit in Silicon Valley makes Romney an attractive candidate for some executives and [venture capitalists](#).

"I don't think most in our industry think Obama has a lot of business cred," said Dennis Cima, senior vice president at public policy trade association Silicon Valley Leadership Group (SVLG).

"Most of his initiatives have cost us money," he continued. "Romney probably has more experience with businesses and what makes them succeed or fail. If you are a CEO, which would you like to talk with about your company?"

While SVLG weighs in on legislation important to the industry, it avoids

endorsing candidates, opting to remain neutral and work with those that win offices.

The group's roster of more than 375 members ranges from technology titans such as Google, Microsoft and IBM to universities and banks.

A look at which candidate is a better friend to Silicon Valley is clouded by the fact that the brilliant people who write code, design websites and create products at Internet firms tend to be politically liberal "artist types."



Former eBay CEO and Republican candidate for California governor Meg Whitman smiles as she speaks to members of the Silicon Valley Leadership Group at the Yahoo! headquarters April 27, 2009 in Sunnyvale, California. Tech sector Republican supporters for upcoming US election include former eBay CEO Whitman, Cisco's John Chambers and high-profile venture capitalists.

Major corporations direct contributions to campaigns or political action committees but typically try to stay in the good graces of rival parties by having "bundlers" who work with campaigns seeking donations from employees.

Microsoft, for example, has bundlers working with Republicans and Democrats and, as a corporation, has donated to both sides.

Microsoft workers were said to have donated far more heavily to Obama than to Romney. Google doesn't have any bundlers and is unabashedly supporting Obama.

"I think our members are cautiously optimistic about the state of the economy now," Cima said. "This is about growing the economy and it being sustainable; any big shifts could certainly disrupt the system."

At the core of support for Romney among technology firms with a global business footprint is his vow to revamp the US tax system and his criticism of tax rates that make it financially foolish to bring profits earned elsewhere back to the United States.

It is reportedly cheaper for Redmond, Washington-based Microsoft to work with borrowed money than to bring home profits that conceptually could be used for research or expansion in the United States.

"It is important the US is on a level playing field so companies can invest in the US and repatriate dollars to the US from overseas without being clobbered over the head," Cima said.

"Sometimes our tax system is perverse."

Top political issues in Silicon Valley include the need to remedy a critical talent deficit with not only revamped visa and green card rules

but by ramping up the study of sciences and math at US schools.

"Silicon Valley is built on brain power and venture capital," Cima said. "Education and workforce preparedness is something we are going to be watching closely."

Controlling health care costs is another major issue.

Devoted Obama supporters in [Silicon Valley](#) include Yahoo! chief executive Marissa Mayer, an early Google employee who rose in the executive ranks there before taking the Yahoo! helm.

Luminaries from the tech sector launched the first in a series of online videos supporting President Barack Obama this month, in the latest effort of the "Tech for Obama" group.

A two-minute YouTube video touting "innovation" included comments from a dozen tech executives such as Craigslist founder Craig Newmark, LinkedIn founder Reid Hoffman and others, one of several videos for Obama.

"I believe President Obama understands the conditions necessary to foster innovation in our country," Entelo founder Jon Bischke says in the video.

Hoffman adds: "I support Obama because I've personally seen how much he cares about innovation and how much he cares about constructing the future that we all want to have."

Several dozen tech executives have lent their names to the "T4O" group, including Salesforce chief Marc Benioff, venture capitalist Deepak Kamra and JLab's chief Judith Estrin.

Obama has also received contributions from people at Facebook.

Republican supporters in the tech sector include former eBay CEO Meg Whitman, Cisco's John Chambers and high-profile venture capitalists.

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