

UK firm in Facebook row suspends CEO amid fresh revelations

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Facebook's shares fell sharply after the data breach revelations

Cambridge Analytica, the British firm at the centre of a major scandal

rocking Facebook, suspended its chief executive Alexander Nix Tuesday, as he became embroiled in fresh controversy and lawmakers on both sides of the Atlantic demanded answers over the data breach.

Recordings of Nix emerged Tuesday evening in which he boasts about the company's expansive role in Donald Trump's presidential campaign, claiming it did all its research, analytics as well as digital and television campaigns.

In the undercover filming, captured by Britain's Channel 4 News, Nix also outlines the use of a secret self-destructing email system.

"There's no evidence, there's no paper trail, there's nothing," he said of the tool, which deletes emails two hours after they have been read.

Nix also slights US representatives on the House Intelligence Committee to whom he gave evidence last year, claiming its Democrats are motivated by "sour grapes" and Republicans asked few questions.

"They're politicians, they're not technical. They don't understand how it works," he was caught on camera telling an undercover reporter.

Channel 4 News also broadcast an interview with defeated presidential candidate Hillary Clinton filmed in October 2017, in which she said she had faced "a massive propaganda effort".

"There was a new kind of campaign that was being run on the other side," she said. "It affected the thought processes of voters."

'Very disturbing'

Clinton added the possibility that Cambridge Analytica were involved in Russia's alleged attempt to influence the election was "very disturbing".

The company has strongly denied any such involvement.

Announcing Nix's suspension, Cambridge Analytica's board said he will stand aside immediately pending an investigation into the various allegations.

They include other boasts he made to the undercover reporter about entrapping politicians and secretly operating in elections around the world through shadowy front companies.

"In the view of the Board, Mr. Nix's recent comments secretly recorded by Channel 4 and other allegations do not represent the values or operations of the firm and his suspension reflects the seriousness with which we view this violation," the company said in a statement.

Cambridge Analytica has denied claims it harvested data from up to 50 million Facebook users as part of its work for US President Donald Trump's election campaign.

But the row has plunged Facebook into a major scandal, facing investigations on both sides of the Atlantic over its use of [personal data](#), while its share price has been hit.

A British parliamentary committee called on Facebook founder Mark Zuckerberg on Tuesday to personally explain to them what happened with "this catastrophic failure of process".

Committee chairman Damian Collins, who is leading an investigation into fake news, said officials at the firm had "consistently understated" the risk of data being taken from users without consent.

Zuckerberg has also been invited to address the European Parliament, its president Antonio Tajani said.

"Facebook needs to clarify before the representatives of 500 million Europeans that personal data is not being used to manipulate democracy," he tweeted.

The parliament and the European Commission, the 28-nation EU executive, have already called for an urgent investigation into the scandal.

US lawmakers have also called on Zuckerberg to appear before Congress, along with the chief executives of Twitter and Google.

Facebook shares were down 5.3 percent at around 1800 GMT, following reports the Federal Trade Commission is investigating whether it violated a 2011 consent decree over the handling of consumer data.

Shares of Facebook had already lost 6.8 percent on Monday.

Watchdog searches

A former Cambridge Analytica employee claims it developed an app downloaded by 270,000 people to scoop up information about their friends, which were then used to design software to predict and influence voters' choices at the ballot box.

The company blames the academic who developed the app, University of Cambridge psychologist Aleksandr Kogan, for misusing the data, adding that it was never used on the Trump campaign, and has anyway been deleted.

But the firm's reputation took a fresh hit on Monday, with the broadcast of secret footage showing Nix saying it could entrap politicians in compromising situations with bribes and sex workers.

He also said the firm secretly campaigns in elections around the world, including by operating through a web of shadowy front companies, or by using sub-contractors, according to Channel 4 News.

A Cambridge Analytica spokesman told the news programme it does not use "untrue material for any purpose".

Facebook says the data was taken without its knowledge or consent, and has launched its own investigation into Cambridge Analytica.

But it was forced to suspend its probe late Monday following a request from Britain's information commissioner, Elizabeth Denham, who is making her own inquiries into both companies.

She is seeking court approval to conduct her own searches at Cambridge Analytica, but has also queried Facebook's role.

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