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**Financialisation in Big Tech Companies: Shareholders,
Capital and Labour**

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This paper discusses the financialisation in five Big Tech companies:
Apple, Amazon, Facebook, Google and Microsoft.

The analysis is supported by five indicators of financialisation:

- 1) shareholding composition
- 2) mergers and acquisitions
- 3) payment of dividends to shareholders and stock repurchases
- 4) compensations to executives
- 5) employees' salaries.

1. Marxist approach

M-C-M' - classic formula of the capitalist production process: money that buys commodity to transform it through labour, which is in turn sold to make more money.

M-M' - which refers to money that generates more money without having to go through the production sphere. This is considered financialisation.

2. Conceptions of control

Neil Fligstein/Economic Sociology

- 1) Industrial Conception of control
- 2) Marketing and Sales Conception of control
- 3) Financial Conception of control
- 4) Maximizing Shareholder Value Conception of control (MSV)

Apple	3,620 Institutional Holders 9,758,468,914 Total Shares Held		30 September 2020
Investor	Shares Held	%	Amounts in thousands of US\$
VANGUARD GROUP INC.	1,280,669,129	13.12	175,951,132
BLACKROCK INC.	1,069,771,045	10.96	146,975,844
BERKSHIRE HATHAWAY	944,295,554	9.67	129,736,766
STATE STREET CORP	672,444,836	6.89	92,387,196
FMR LLC	346,699,497	3.55	47,633,044
Total (5 Major)	4,313,880,061	44.19	592,683,982

Source: <https://www.nasdaq.com/market-activity/stocks/aapl/institutional-holdings>

Amazon	3,528 Institutional Holders 283,225,198 Total Shares Held		30 September 2020
Investor	Shares Held	%	Amounts in thousands of US\$
VANGUARD GROUP INC	32,783,886	11.5	109,203,124
BLACKROCK INC.	27,661,214	9.76	92,139,504
STATE STREET CORP	16,344,982	5.77	54,445,135
FMR LLC	15,880,342	5.60	52,897,419
PRICE T ROWE ASSOCIATES INC <u>/MD/</u>	15,700,902	5.54	52,299,705
Total (5 Major)	108,371,326	32.63	360,984,887

Source: <https://www.nasdaq.com/market-activity/stocks/amzn/institutional-holdings>

Facebook	3,012 Institutional Holders 1,850,812,533 Total Shares Held		30 September 2020
Investor	Shares Held	%	Amounts in thousands of US\$
VANGUARD GROUP INC	185,310,879	10.01	49,383,496
BLACKROCK INC.	158,351,360	8.55	42,199,054
FMR LLC	123,993,034	6.69	33,042,904
<u>PRICE T ROWE ASSOCIATES INC /MD/</u>	100,826,037	5.44	26,869,131
STATE STREET CORP	95,518,219	5.16	25,454,650
Total (5 Major)	663,999,529	35.85	176,949,235

Source: <https://www.nasdaq.com/market-activity/stocks/fb/institutional-holdings>

Google	3,073 Institutional Holders 229,110,514 Total Shares Held		30 September 2020
Investor	Shares Held	%	Amounts in thousands of US\$
VANGUARD GROUP INC	23,117,687	10.86	47,475,176
BLACKROCK INC.	20,386,855	8.89	41,867,057
FMR LLC	12,612,173	5.50	25,900,737
STATE STREET CORP	11,732,025	5.12	24,093,239
PRICE T ROWE ASSOCIATES INC /MD/	6,736,734	2.94	13,834,759
Total (5 Major)	74,585,474	33.31	153,170,968

Source: <https://www.nasdaq.com/market-activity/stocks/googl/institutional-holdings>

Microsoft	3,762 Institutional Holders 5,235,011,723 Total Shares Held		30 September 2020
Investor	Shares Held	%	Amounts in thousands of US\$
VANGUARD GROUP INC	622,689,597	11.89	150,697,109
BLACKROCK INC.	516,065,148	9.85	124,892,926
STATE STREET CORP	309,004,107	5.90	74,782,084
FMR LLC	236,747,226	4.52	57,295,196
<u>PRICE T ROWE ASSOCIATES INC /MD/</u>	180,419,808	3.44	43,663,398
Total (5 Major)	1,864,925,886	35.6	451,330,713

Source: <https://www.nasdaq.com/market-activity/stocks/msft/institutional-holdings>

Acquisitions of companies by the Big Techs

Corporation	Number of companies purchased	Period	Amount in billions of US\$
Google	245	1998-2020	28.7+
Microsoft	235	1987-2020	50.1+
Apple	123	1988-2020	n/a
Facebook	89	2007-2020	22.8+
Amazon	88	1999-2020	21.6+
Total of 5	780	1987-2020	123.2+

Source: www.crunchbase.com.

Payment of dividends to shareholders and stock repurchases - Apple

	Payment of dividends in billions of US\$	Stock repurchases in billions of US\$	Totals In billions of US\$
2012	2.488	1.296	3.784
2013	10.564	25.351	35.915
2014	11.126	44.316	55.442
2015	11.561	36.618	48.179
2016	12.150	33.219	45.369
2017	12.769	31.594	45.306
2018	13.712	70.796	84.915
2019	14.119	78.010	92.129
2020	14.081	75.560	89.641

Source: https://ycharts.com/companies/AAPL/stock_buyback; <https://www.macrotrends.net/stocks/charts/AAPL/apple/total-common-preferred-stock-dividends-paid>

Payment of dividends to shareholders and stock repurchases - Facebook

	2015	2016	2017	2018	2019	2020
Payment of dividend in billions of US\$	0	0	0	0	0	0
Stock repurchases in billions of US\$	0	0	1.976	12.879	4.212	6.272
Totals in billions of US\$	0	0	1.976	12.879	4.212	6.272

Sources: <https://www.nasdaq.com/market-activity/stocks/fb/financials>; https://ycharts.com/companies/FB/stock_buyback

Payment of dividends to shareholders and stock repurchases - Google

	2015	2016	2017	2018	2019	2020
Payment of dividends in billions of US\$	0	0	0	0	0	0
Stock repurchases in billions of US\$	1.780	3.693	4.846	9.075	18.396	31.149
Totals in billions of US\$	1.780	3.693	4.846	9.075	18.396	31.149

Source: https://abc.xyz/investor/pdf/20171231_alphabet_10K.pdf, pp. 21, 22 and 49.
<https://www.sec.gov/Archives/edgar/data/1652044/000165204420000008/goog10-k2019.htm>
https://ycharts.com/companies/GOOG/stock_buyback

Payment of dividends to shareholders and stock repurchases - Microsoft

	2015	2016	2017	2018	2019	2020
Payment of dividends in billions of US\$	9.882	11.006	11.845	12.699	13.811	15.137
Stock repurchases in billions of US\$	17.212	14.791	7.509	15.234	18.261	24.599
Totals in billions of US\$	27.094	25.797	19.354	27.933	32.072	39.736

Source: https://ycharts.com/companies/MSFT/stock_buyback; <https://www.macrotrends.net/stocks/charts/MSFT/microsoft/total-common-preferred-stock-dividends-paid>

Total compensations to the main executives in millions of US\$	2015	2016	2017	2018	2019
Timothy D. Cook Apple's CEO	10.2	145	12.8	15.6	11.5
Jeffrey Bezos Amazon's CEO	1.6	1.6	1.6	1.6	1.6
Mark Zuckerberg Facebook's CEO	5.03	6.01	9.10	22.5	23.4
Sundar Pichai Google's CEO	100.6	199.7	1.3	1.8	n/a
Satya Nadella Microsoft's CEO	n/a	17.6	20.0	25.8	42.9

Lowest starting salary in the Big Techs - 2020

Corporation	Professional	Annual salary in US\$
Amazon	Cashier	15,825 (2018)
Amazon	Computer Technician	20,439 (2018)
Amazon	Assistant Customer Service Manager	25,301 (2018)
Apple	Mc Specialist	28,000
Apple	Specialist	36,000
Apple	Mac Genius	42,000
Google	Nanny	19,000
Google	Computer Technician	25,836
Google	Marketing Executive	35,000
Microsoft	Sales Associate	19,354
Microsoft	Sales Consultant	20,441
Microsoft	Support Technician (IT)	32,000
Facebook	Customer Service Representative	28,168
Facebook	IT Specialist	32,706
Facebook	Customer Service Specialist	34,815

Sources: www.payscale.com and www.glassdoor.com

Ratio of times between compensation to CEO / lowest starting salary - 2019*

Corporation	Professional	Times
Amazon	Cashier	101
Amazon	Computer Technician	78
Amazon	Assistant Customer Service Manager	63
Apple	Mc Specialist	410
Apple	Specialist	319
Apple	Mac Genius	273
Google	Nanny	10570
Google	Computer Technician	7729
Google	Marketing Executive	5705
Microsoft	Sales Associate	2216
Microsoft	Sales Consultant	2098
Microsoft	Support Technician (IT)	1340
Facebook	Customer Service Representative	830
Facebook	IT Specialist	715
Facebook	Customer Service Specialist	672

Source: authors. *The comparison between the lowest starting salary and CEO compensations of Google took into account the year 2016, when the CEO Sundar Pichai earned US\$ 199.7 million.

Thank you!!!