1. “I can’t stand lying to you every day”

In the late summer of 2015, Chris Wilson, the director of research, analytics, and digital strategy for Sen. Ted Cruz’s presidential campaign, had a conversation with a contractor that left him furious. A widely respected pollster who had taken leave from his firm to work full time for Cruz, Wilson oversaw a team of more than 40 data scientists, developers, and digital marketers, one of the largest departments inside Cruz’s Houston-based operation. The Iowa caucuses were fast approaching, and the Cruz campaign had poured nearly $13 million into winning the opening contest of the primary season.

As the campaign laid the groundwork for Iowa, a sizable chunk of its spending—
$4.4 million and counting—flowed to a secretive company with British roots named Cambridge Analytica. A relative newcomer to American politics, the firm sold itself as the latest, greatest entrant into the burgeoning field of political technology. It claimed to possess detailed profiles on 230 million American voters based on up to 5,000 data points, everything from where you live to whether you own a car, your shopping habits and voting record, the medications you take, your religious affiliation, and the TV shows you watch. This data is available to anyone with deep pockets. But Cambridge professed to bring a unique approach to the microtargeting techniques that have become de rigueur in politics. It promised to couple consumer information with psychological data, harvested from social-media platforms and its own in-house survey research, to group voters by personality type, pegging them as agreeable or neurotic, confrontational or conciliatory, leaders or followers. It would then target these groups with specially tailored images and messages, delivered via Facebook ads, glossy mailers, or in-person interactions. The company’s CEO, a polo-playing Eton graduate named Alexander Nix, called it “our secret sauce.”

As a rule, Nix said his firm generally steered clear of working in British politics to avoid controversy in its own backyard. But it had no qualms applying its mind-bending techniques to a foreign electorate. “It’s someone else’s political system,” explains one former Cambridge employee, a British citizen. “It’s not ours. None of us would ever consider doing what we were doing here.”

This type of information about U.S. voters has been available to (and used by) political campaigns for decades -- long before the Internet or Facebook.

The addition of personality data was what Cambridge Analytica promised -- and the personality data were supposed to be the Big Five personality traits.
was repeatedly told. Weeks passed, then months. Finally, in August 2015, one of the Cambridge consultants in Houston came clean. Ripon “doesn’t exist,” he told Wilson, according to several former Cruz staffers. “It’ll never exist. I’ve just resigned because I can’t stand lying to you every day anymore.” The campaign had hired Cambridge in the belief it could use Ripon to help win Cruz the nomination; instead, it was paying millions of dollars to build the Ripon technology. “It was like an internal Ponzi scheme,” a former Cruz campaign official told me. The Cruz campaign couldn’t fire Cambridge outright. The Mercers wouldn’t be happy, and the campaign was too far along to ax a significant part of its digital staff. Still, Cruz officials steadily reduced Cambridge’s role. Even though the campaign used Cambridge’s psychological data in Iowa, Cruz’s victory there in February 2016 did nothing to quell the growing distrust campaign officials felt toward the company.

The Cruz team wasn’t alone in its doubts about the firm. Cambridge was also working, albeit in a more limited role, for rival Ben Carson’s campaign, whose experience with the company was similarly frustrating. Cambridge, for instance, sold itself as an expert in TV advertising yet failed to grasp basic facts about buying ads. Carson staffers came away feeling like Cambridge was at best in over its head and at worst a sham.

After Carson and Cruz dropped out and Trump all but clinched the nomination, Doug Watts, a senior staffer on the Carson campaign, got a call from Paul Manafort, Trump’s campaign chairman. “What do you know about Cambridge Analytica?” Manafort asked. Watts replied that he didn’t think much of the firm. “They’re just full of shit, right?” Manafort said, according to Watts. “I don’t want ‘em anywhere near the campaign.”

A few months later, on September 19, 2016, Alexander Nix strode onstage at the Concordia Annual Summit in Manhattan, a highbrow TED-meets-Davos confab. He was a featured speaker alongside Madeleine Albright, Warren Buffett, David Petraeus, and New York Sen. Kirsten Gillibrand. Wired magazine had recently named him one of its “25 Geniuses Who Are Creating the Future of Business.”
In a dark tailored suit and designer glasses, wearing a signet ring on his left pinkie, Nix regaled the audience with the story of how Cambridge Analytica had turned Ted Cruz from an obscure and reviled US senator into “the only credible threat to the phenomenon Donald Trump.” Using Cambridge’s methods, the Cruz campaign had sliced and diced Iowa caucus-goers into hyperspecific groups based on their personality traits and the issues they cared about, such as the Second Amendment. As Nix clicked through his slides, he showed how it was possible to use so-called psychographics—a fancy term for measuring attitudes and interests of individuals—to narrow the universe of Iowans from the tens of thousands down to a single persuadable voter. In this case, Nix’s slide listed a man named Jeffrey Jay Ruest, a registered Republican born in 1963. He was “very low in neuroticism, quite low in openness, and slightly conscientious”—and would likely be receptive to a gun rights message.

Actually, the 2016 election was the high-water mark for Cambridge Analytica. Since then, the firm has all but vanished from the US political scene. According to Nix,
this was by design. Late last year, he said his company had ceased pursuing new US political business. But recently, an extraordinary series of developments unfolded that led to Nix's suspension as CEO and left the company's future uncertain. A whistleblower went public with allegations, since cited in a class-action lawsuit, that the company had used unethical methods to obtain a massive trove of Facebook data to fuel its psychographic tactics.

“We exploited Facebook to harvest millions of people's profiles. And built models to exploit what we knew about them and target their inner demons,” Chris Wylie, who helped launch the company, told the British Observer. “That was the basis the entire company was built on.” Next came the release of an undercover investigation by the United Kingdom's Channel 4, which captured video of Nix and other Cambridge executives explaining how they could covertly inject propaganda “into the bloodstream to the internet.” They also described how their services could include bribing a politician and recording undercover video or sending “very beautiful” Ukrainian "girls" to entrap a candidate.

The fallout was swift. Facebook, already under fire for facilitating the spread of disinformation, suspended Cambridge from its platform. British officials sought a warrant to search the company's office. Lawmakers on both sides of the Atlantic demanded answers. “They should be barred from any US election or government work until a full investigation can be conducted,” Rep. Joaquin Castro (D-Texas), a member of the House Intelligence Committee, tweeted.

Nix was a master of hype who peddled a story that people wanted to believe. Take Jeffrey Ruest, the voter Nix identified at the Concordia Summit, down to the latitude and longitude of his home, to illustrate the firm's psychographic prowess in Iowa. The message was that Cambridge had the ability to peer into the minds of—and to persuade—voters on the most granular level. Ruest wouldn't have been useful to Cruz or any of his GOP rivals in Iowa, though. He lives a thousand miles away in North Carolina. But why let inconvenient details interfere with the perfect pitch?