Competition and Consumer Protection in the 21st Century Hearings, Project Number P181201

Comments of Knowledge Ecology International

4. The intersection between privacy, big data, and competition;

Facebook and Twitter are two social networks that because of their reach and function are particularly important socially and politically. It is the view of KEI that both Facebook and Twitter have obtained monopolies by taking advantage of network effects and avoiding implementation of measures to permit rival clients to provide and receive status updates and media sharing with their users. If such interoperability were implemented, the services would have to compete on several dimensions including the user interfaces and policies on privacy.

Users of Facebook are now confronted with privacy policies they do not approve of, and Facebook and Twitter both face concerns about the regulation of content.

Breaking Facebook up into different services has been proposed, but typically by asking that Facebook divest certain non-core services it has acquired. The fact that alternatives to Facebook exist, including networks that Facebook itself owns and controls, provides some benefits to the public, but for some functions, the benefits of the service are related to its reach, so size is both a problem and a benefit.

Governments could mandate the type of interoperability remedies that in the past have protected the public from the monopoly power that first IBM and later Microsoft exercised in computer operating systems. Simply put, Facebook should be required to provide open APIs that permit third party clients to exchange status updates and share certain media such as photographs and video. The current system of email works that way, and vastly expanded the utility of the technology to users, compared to the situation where people had to have multiple email services, like bitnet, compuserve, AOL, etc., none of which connected with each other. Today people use a diverse set of email clients, and the providers of email services compete on the basis of prices, user interfaces and privacy policies. The core services people call Facebook don't have to be a monopoly, and just like email, the sharing of status updates and media can become a more decentralized and competitive service.

Twitter can also be de-monopolized by mandating interoperable sharing of status updates, something that can allow more diversity of interfaces and policies on privacy, regulation of content, and other factors that are important to the users.