

Social media's junkies and dealers

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New York—We were warned. The venture capitalist and Netscape founder Marc Andreessen wrote a widely read essay in 2011 titled, "Why software is eating the world." But we didn't take Andreessen seriously; we thought it was only a metaphor. Now we face the challenge of extracting the world from the jaws of internet platform monopolies.

I used to be a technology optimist. During a 35-year career investing in the best and brightest of Silicon Valley, I was lucky enough to be part of the personal computer, mobile communications, internet, and social networking industries. Among the highlights of my career were early investments in Google and Amazon, and being a mentor to Facebook founder Mark Zuckerberg from 2006 to 2010.

Each new wave of technology increased productivity and access to knowledge. Each new platform was easier to use and more convenient. Technology powered globalization and economic growth. For decades, it made the world a better place. We assumed it always would.

Dark sides

Then came 2016, when the internet revealed two dark sides. One is related to individual users. Smartphones with LTE mobile infrastructure created the first content-delivery platform that was available every waking moment, transforming the technology industry and the lives of two billion users. With little or no regulatory supervision in most of the world, companies like Facebook, Google, Amazon, Alibaba, and Tencent used techniques common in propaganda and casino gambling, such as constant notifications and variable rewards, to foster psychological addiction.

The other dark side is geopolitical. In the United States, Western Europe, and Asia, internet platforms, especially Facebook, enable the powerful to inflict harm on the powerless in politics, foreign policy, and commerce. Elections across Europe and in the United States have repeatedly demonstrated that automated social networks can be exploited to undermine democracy.

The Brexit referendum and the US presidential election in 2016 also revealed that Facebook provides significant relative advantages to negative messages over positive ones. Authoritarian governments can use Facebook to promote public support for repressive policies, as may be occurring now in Myanmar, Cambodia, the Philippines, and elsewhere. In some cases, Facebook actually provides support to such governments, as it does to all large clients.

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PHIL. DAILY INQUIRER
WEDNESDAY, MARCH 21, 2018

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SOCIAL MEDIA'S JUNKIES AND DEALERS

I am confident that the founders of Facebook, Google, and other major internet platforms did not intend to cause harm when they adopted their business models. They were young entrepreneurs, hungry for success. They spent years building huge audiences by reorganizing the online world around a set of applications that were more personalized, convenient, and easier

to use than their predecessors. And they made no attempt to monetize their efforts until long after users were hooked. The advertising business models they chose were leveraged by personalization, which enabled advertisers to target their messages with unprecedented precision.

But then came the smartphone, which transformed all media and effectively put Facebook, Google, and a handful of others in control of the information flow to users. The filters that give users "what they want" had the effect of polarizing populations and eroding the legitimacy of fundamental democratic institutions (most notably, the free press). And the automation that made internet platforms so profitable left them vulnerable to manipulation by maligning actors everywhere—and not just authoritarian governments hostile to democracy.

As Andreessen warned us, these companies, with their global ambition and reach, are eating the world economy. In the process, they are adopting versions of Facebook's corporate philosophy—"move fast and break things"—without regard for the impact on people, institutions, and democracy. A large minority of citizens in the developed world inhabits filter bubbles created by these platforms—digital false realities in which existing beliefs become more rigid and extreme.

Brain hacking

In the United States, approximately one-third of the adult population has become impervious to new ideas, including demonstrable facts. Such people are easy to manipulate, a concept that former Google design ethicist Tristan Harris calls "brain hacking."

Western democracies are unprepared to deal with this threat. The United States has no effective regulatory framework for internet platforms, and lacks the political will to create one. The European Union has both a regulatory framework and the necessary political will, but neither is adequate to the challenge. The EU's recent judgment against Google—a record \$2.7 billion fine for anticompetitive behavior—was well conceived, but undersized. Google appealed, and its investors shrugged. It may be a good start, but it was clearly insufficient.

We are at a critical juncture. Awareness of the risks posed by internet platforms is growing from a small base, but the convenience of the products and psychological addiction to them are such that it may take a generation to effect change from the user side, as it did with antismoking campaigns. Recognition of the corrosive effect of platform monopolies on competition and innovation is greater in Europe than in the United States, but no one has found an effective regulatory strategy. Awareness that the platforms can be manipulated to undermine democracy is also growing, but Western governments have yet to devise a defense against it.

The challenges posed by internet platform monopolies require new approaches beyond antitrust enforcement. We must recognize and address these challenges as a threat to public health. One possibility is to treat social media in a manner analogous to tobacco and alcohol, combining education and regulation.

For the sake of restoring balance to our lives and hope to our politics, it is time to disrupt the disrupters. Project Syndicate