Will Public Policy Destroy or Nurture an Industry?

The Issues Facing A Global Unfettered Internet Industry

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Censorship

Malaysia

Philippines

Few Restriction

Japan

Taiwan

Hong Kong
Censorship … Who Cares?

- Controls counter-productive and don’t work
- Criminal & other liability will stifle development

TRENDS

Self interest to protect industry

Government moves toward individual control
Censorship

Recommended Position …

- Industry Self Regulation
- End-user decision making/control
- State-of-the-art tools
  - Blocking/Filtering
  - “PICS”
- No ISP liability
Domain Naming

http://www.telstra.com.au

http://www.att.com

http://www.kdd.co.jp
Domain Naming

Transition to Commercial Environment requires Urgent Actions

- Lack of “Globality”
- No Self-governance
- Name Collisions
- Exhaust Problems
- Trademark Issues
- Monopoly Control

Potential Authority Vacuum and Interim Operational Difficulties
Domain Naming

This issue highlights complex policy questions facing the Internet

- Who sets the rules?
- Who profit from domain naming?
- Governments?
- Commercial Sector?
- ISP?
- Multilateral Institutions?
Copyright infringement can occur with or without industry consent.
Proposed Legislation by Content Owners would be Onerous and Destructive

- Access, Service and hosting providers
- Knowingly or unknowingly
- Technical infeasible
- Economically unreasonable
- Unacceptable user access delays

If enacted, these controls could bring industry growth to a grinding halt
Intellectual Property

We recommend

- Legitimate protection of Intellectual Property is warranted
- However, “conduit” or hosting providers not liable
- Conditional responsibility for “offending” content
  - Proper notification
  - Failure to remove
  - No responsibility for ISP/Hosting services
- Industry and government consensus required
- Technology based safeguards preferable
Privacy

An individual’s claim to control the terms under which information is acquired, used and disclosed

- “OLD” Generation
- “NEW” Generation

- Transactional data only
- Transactional data
- Subscription data
- Surfing data

...And most users are unaware of what can be recorded/used about them
Privacy

There is a global trend towards privacy legislation

- EU
  - Directive on privacy and data publication

- US
  - Telecom act restricting customer information

- Worldwide
  - Numerous legislative acts pending
Privacy

Opinion:
Voluntary measures are aimed at sustaining customer trust

- Inform
  - Our policy
  - Their choice

- Customer Data
  - Not for sale
  - Permissive BU sharing

- Database Marketing
  - Optional removal

... And we support a global agreement on privacy guidelines
Privacy

Addressing privacy concerns is a complex issue

- Wide divergence in practices globally
- Global trend towards protection
- While competitive markets will help assure proper controls ...
- Some government controls may be required

Harmonized set of global information principles will support industry growth
Security & Encryption

“It is when we all play safe that we create a world of the utmost insecurity”

Dag Hammarskjold
The debate over security & encryption policies involves multiple and often conflicting objectives.
A global, industry led effort is required to address security issues

- Strong commercial encryption technology
- Opposition to restrictions
- Discourage mandated key management
- Global policy harmonization
- Advocate & educate
Legal and Tax Issues

Legal frameworks and tax regulations developed generations ago do not reflect technical realities.

**Taxation**
- Tax Jurisdiction?
- “Intangible goods” Tax?
- Tax Collection?
- Tax Neutrality?

**Legal Framework**
- Legal Jurisdiction?
- Contract Enforcement?
- Libel & Consumer Protection?
- Electronic Signatures?

Global harmonization & mutual recognition

... Policies need to reflect evolution from physical, geographic to electronic, geopolitical.
Conclusion

- Policy issues surrounding the Internet are compelling and complex
- Patchwork of ill-concerned laws and regulations will stifle innovation & development
- Policies need to be harmonized at a global level
- Industry must understand and lead development of coherent policies