



FREEDOM UNDER THE REIGN OF THE INTERNET
19th October 2011, Palais du Luxembourg

The Robert Schuman Foundation and the Centre for European Studies organised a debate on freedom on the Internet at the Palais du Luxembourg on 19th October. The first round table chaired by Lionel Tardy MP, member of the Economic Affairs Committee and also a member of the Internet, Audiovisual and Information Society Research Group focused on the protection of freedom on the internet. Debate at the second round table, moderated by Catherine Morin-Desailly, Senator for Seine-Maritime, Chair of the Media and New Technologies Research Group and rapporteur for the Media Mission for the Culture and Communication Committee focused on the future of the digital economy and notably on connected TV.

How can freedom be best protected on the internet?



From left to right: D. Baroux, K. Kornbluh, L. Tardy, M. Riguidel, J. Coutant

Introduction by Lionel Tardy

The question of protecting freedom on the internet has been the focus of legislative work since 2007 at the French National Assembly and the Senate. Three main themes have dominated debate without any satisfactory responses being found.

The first of these focuses on the obligatory involvement of an independent authority, ie a judge, with regard to any measures taken to restrict access to the internet, whether this implies depriving someone access to the internet or whether it means restricting public access to certain types of content. The Constitutional Council established the principle when the HADOPI bill was passed, but the implications of this have still not been determined. More generally all types of internet filtering and supervision have to be monitored.

The second issue concerns personal data. Developments are slow in this area because it is one that extends worldwide. On the one hand, internet users have to be taught how to protect their personal data. On the other hand, the collation, storage and use of personal data has to be regulated, and at the same time what is prohibited and what is allowed has to be explained. It is also necessary to establish a loyalty principle for those who collate and use internet user data. As Lionel Tardy pointed out the road is still long before the internet user has real control over his own personal data.

The third debate involves keeping the internet free and open. It is vital to prevent closure and the locking of the internet by any economic player – who ever this might be. The competition principle is vital for the survival of the internet.

From the creation of the world wide web to mobile phones

Internet use has changed: this was emphasised by every speaker. Jérôme Coutant, member of the ARCEP Collège, believes that internet is not just a tool simply to be used per se; it is a society in its own right; an economy has been organised around the internet. In 2000 the internet was mainly used to communicate. The “network” function was fulfilled. Gradually security and download applications emerged. Michel Riguidel, IT Professor at Télécoms ParisTech, showed that today, with cloud computing, the network function has now disappeared. We now store, calculate and communicate on the network.



M. Riguidel

Dominique Baroux, Director of Institutional Relations with AT&T said that according to a CISCO report, the mobile internet would be multiplied by 26 by 2015¹. The nature of the demand and flows are constantly changing. Hence the network, which carries broad band will have to be more intelligent, more efficient and able to do more things and also connect up an increasing number of citizens.

An internet that is open to all, but which is safe and respectful of private life

Restricting the freedom of expression would be damaging. It would reduce the value of the internet; it would discourage the exchange of ideas and would lead to reduced innovation. Dominique Baroux believes that future challenges will be for everyone to be connected. Broadband internet and infrastructures must become universal, accessible to everyone. No one should be left on the roadside. The deployment of networks is not the only challenge facing the internet for it to be open to all. The penetration rate is also a point of present debate with regard to the universal access of internet. For example in the US, as in Europe, nearly 40% of the connectable population still has no subscription.

Dominique Baroux quoted the reasons for this being a lack of desire to be connected and cost. But in reality the two main issues which explain these low penetration levels are security and geo-tracking services. In 2010 the American Administrative Council, responsible for advising the US President on new technologies, published a document recommending the implementation of a new code of conduct for the respect of private life developed together with consumers, industry and political players. Indeed it is vital to draw up new models to protect

¹ http://www.cisco.com/en/US/netsol/ns827/networking_solutions_sub_solution.html#~forecast

consumers which are as flexible and as innovative as the internet itself. Given the problem posed by cybercrime, industry must constantly update its detection and protection capabilities to counter threats made to the internet. Enhancing cooperation between the public and private sectors with major internet players will also enable an effective fight against cybercrime.



D. Baroux

Michel Riguidel believed that personal data protection is an open IT problem; today we do not know how to protect an individual's digital behaviour. It is extremely difficult to litigate and legislate on technology. Michel Riguidel insisted on the idea of digital dignity. Users are not "slave" consumers; in the name of humanist values they should not be overwhelmed by advertising, spam and they should not use corrupt services. The respect of users is vital.

Jérôme Coutant explained that the regulator and the service providers should facilitate free access to the network. The freedom of the user could be guaranteed via a service that is adequate, transparent and of quality. This is why the Authority for the Regulation of Electronic Communications and the Post (ARCEP) published proposals and recommendations with regard to the neutrality of the internet and the networks last autumn². Proposal no.1 addressed the freedom and quality of access to the internet. Hence the authority recommends that the service provider take into account the laws that are in force so that the user can send and receive the content of his/her choice and use the software he/she wants etc ... The ARCEP advises on participatory, decentralised regulation for businesses but calls on parliament for the draft of new regulatory texts.

² http://www.arcep.fr/uploads/tx_gspublication/net-neutralite-orientations-sept2010.pdf

Karen Kornbluh, Ambassador and the USA's permanent representative at the OECD insisted on the need to agree on universal principles in terms of internet regulation. In her opinion this should enable everyone to enjoy the economic and political opportunities offered by an interconnected, open web. Karen Kornbluh called on democratic countries to step up their defence of internet freedom. She spoke of an initiative taken by the US in the context of the OECD, which gave rise to fourteen basic principles with regard to internet governance³. Finally she explained that internet governance would not be achieved via intergovernmental treaties but via the involvement of all political, economic and civilian players.

* * *

Tomorrow's network should be open to all – it should be reliable, safe and respectful of private life. This network will lead to the advent of a more open, more prosperous society and one where there is greater solidarity.

³ <http://www.oecd.org/dataoecd/33/12/48387430.pdf>

From the 3.0 web to connected TV : what future for the digital economy?



From left to right : O. Ezratty, F. Abihssira, C. Morin-Desailly, J. L. Constanza, O. de Baillénx

Debate at the second round table focused on three themes: the “disruption of the value chain”⁴ between IT equipment manufacturers, service providers responsible for the development of communication networks and content suppliers ; the relationship between innovation and neutrality on the net ; the development of the connected TV market.

“The Disruption of the Value Chain”



F. Abihssira, C. Morin-Desailly,

⁴ The idea of the “value chain” is defined as being the economic relationship between IT equipment manufacturers, telecoms service providers and content providers.

According to Franck Abihssira, Content and Services and ISP Director for Bouygues Telecom, the value chain is extremely polarised. Services are developed mainly in the US, whilst the manufacture of IT hardware is concentrated in Korea, and increasingly in China.

The European digital industry lies between these two poles. Although it is working hard in terms of development, it struggles to assert itself. However Europe has had a certain amount of success with the recent development of Triple Play, (a service combining broadband internet, television and landline access). This innovative offer was mainly developed by French service providers. Franck Abihssira explained that the European digital industry faced several challenges. The first of these was being able to guarantee a certain balance between the players in the value chain (manufacturers, service providers, content providers) so that their innovative capacity was protected, such as telecoms service providers and content providers for example. Jean-Louis Constanza and Oliver de Baillenx were of the same opinion. According to the latter re-balancing should be achieved via the development of a legal service offer.

Jean-Louis Constanza, Director of Orange Vallée, observed that the European digital economy should assert itself in three areas. The first of these is in the development of e-trade. Europe's competitiveness in this area will be vital, he said, since e-trade in the world now totals a turnover of 1,500 billion dollars – in comparison with 150 billion for free TV and 100 billion dollars for Apple. The second challenge mentioned by the director of Orange Vallée is that of the development of innovative applications in new technologies. Jean-Louis Constanza explained that these experiments were mainly designed outside of Europe, notably in Silicon Valley. In his opinion the European digital industry has made little progress in this area⁵. The final challenge which Europe faces is vertical integration, in the same way that Amazon has become a publisher and Apple now dominates the mobile equipment, and the matching applications markets.

⁵ Here we should quote the American multinational *Apple* which has developed the tactile screen (mobile pads and phones).



J. L. Constanza, O. de Baillenx

Olivier Ezratty, a consultant for innovation strategy focused his intervention on the future of the value chain in the TV industry. In his opinion European industrialists must agree on the use of a common TV access platform in order to foster the development of a European ecosystem. Olivier Ezratty said he believed that players had not yet taken the necessary initiatives to open a common European market. He warned of the danger of major US players offering unique interfaces that would swamp the European market.



O. Ezratty

The Neutrality of the Net : a pre-condition for innovation ?

Franck Abihssira highlighted the position adopted by Bouygues Telecom which believes that operators should be able to manage their networks freely whilst applying non-discriminatory rules. Olivier de Baillenx explained that the respect of neutrality on the net required a re-balancing in relations between content

providers and service providers. These relations that were initially symmetrical, have become extremely asymmetrical. To change this, content providers should pay more to use the networks, which are developed, in the main, by service providers. Olivier Ezratty criticised the non-respect of neutrality on the net in terms of major service providers' boxes in France. The consumer should have more service choice on their boxes. He asked service providers to open up their platforms more to avoid the collapse of this industry in the face of non-European competition. Franck Abihssira attenuated Olivier Ezratty's analysis. In his opinion operators want to go further but to date no real result had been achieved. A common European approach is required.

Connected TV – an unknown market of the future

All of the speakers believed that connected TV is the market of the future even though it is difficult to forecast exactly how things will develop in this area.

Franck Abihssira said he was sure that a connected TV market will emerge. However he pinpointed two problems that have to be settled for this to develop. Firstly he pleaded in support of the standardisation of technical norms. He criticised the present trend whereby each operator was developing "his own connected TV". Jean-Louis Constanza also insisted on this point in his speech. Franck Abihssira also believed that it was necessary to deploy a relevant service and to guarantee the protection of property rights thanks to reliable technical solutions. In his opinion no industrialists could offer these solutions at present. With regard to the relevance of the services on offer Jean-Louis Constanza said that developments long term would lead to a common TV, internet and social networks interface. Oliver de Baillenx recalled that ergonomic tools to access internet via the TV already existed. However the development of the market long term was, he thought, difficult to predict.

Conclusion of the Debate by Jean-Dominique Giuliani, Chairman of the Robert Schuman Foundation



Jean-Dominique Giuliani

The Chairman of the Robert Schuman Foundation, Jean-Dominique Giuliani pleaded in support of a philosophical approach and not just a technological one with regard to the future of the European digital economy. It would be better to focus discourse on the citizen rather than on the consumer. This deeper approach should help to define the freedom that each citizen is entitled to. Jean-Dominique Giuliani also said that Europe was not suffering a lack of innovation but from a limited capability to transform its innovations into a business model.