

# What Europe should demand from Google and others

## The Authors

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**Context:** *In July 2013, Pierre Moscovici, Arnaud Montebourg and Fleur Pellerin asked the French Digital Council (CNNum) to take forward its work on platform neutrality and conduct consultations on the commitments that Google has submitted to the European Commission with respect to the antitrust procedure underway since 2010. The crux of the problem is the launch of vertical services such as Shopping, which put Google in direct competition with its own customers who depend on its search results to access users. Google has responded by offering its competitors an auction system to be displayed with the same prominence as its own services. Two series of proposals were rejected following negative feedback from market tests conducted in 2013. Ultimately, Commissioner Joaquín Almunia has announced that he is heading towards the conclusion of an amicable agreement with Google based on a third series of proposals made public by Google this weekend. The case is not closed. It will probably take months for an official decision to be made.*

**Search engines do not serve solely to steer us through the web and guide our consumer choices. They are also used to tap into information on our private, professional and public lives.** Without any real information on their personalisation methods, there is a huge risk of users finding themselves prisoners of ready-made opinions. And without careful analysis of the dominant positions in this sector, their control will gradually serve to cut the ecosystem off from innovation.

## **We need more guarantees of transparency in the way algorithms and data are used**

Users need to be able to make a clear distinction between advertising and information. They need to know when a platform personalises, promotes or demotes certain results. European and American consumer groups have already made their concerns known and the US Federal Trade Commission itself has stepped in to control these practices across all the search engines. The challenge of transparency, like the challenge of the digital ecosystem's sustainability, has therefore come to the fore on both sides of the Atlantic where admittedly highly innovative platforms sometimes exhibit predatory practices.

## **“If a business cannot be found online, it cannot compete”**

As our MEPs have pointed out, the platforms have become a critical outlet for all business sectors that target consumers. Evolutions of business models fall within free enterprise. Yet the auction systems for prominence ranking on the platforms

should not undermine the quality or diversity of choice. Priority access to users should reflect innovation rather than a player's ability to pay more than the others. It is not unusual for greater responsibilities to be required of a platform when it becomes dominant; especially when it competes with its own customers and has the power to set up barriers to entry on its own market.

### **Metcalfe's law should not be turned against its contributors**

The platforms' strength lies in their ability to bring together an ecosystem of users, developers and so on who contribute information and content and innovate for them. The creative and viral power of the logics of openness should not become a strategic mainspring for players looking to lock their doors once they have become critical nodes.

The stakes are such that we need real observation and intervention capabilities. The subject is complex. It has as much to do with the technology as it does with the in-depth knowledge of Internet users' cognitive behaviour in the face of fast-changing webpages and business models. This calls for particular care and explains why the procedures are slow moving, but it should not hamper the democratic imperative.

Given these circumstances, accepting new commitments without submitting them to the relevant stakeholders – when they concern first and foremost the users – does not bode well for the cohesion of the European digital strategy. The last two tests revealed concerns that the Commission had not identified. The recent display of YouTube links at the top of Google's search results shows the limitations of these procedures in the face of constantly changing issues.

Europe should not hesitate to reject commitments that are not up to the challenges. It has a duty to define and defend platform neutrality, which will do for over-the-tops what Net neutrality does for the networks (and therefore the ISPs). At the same time, it has a duty to give economic players defining principles that can be used to interpret future changes to the platforms' ergonomics and business models.

The message sent by Commissioner Almunia is disappointing, but the hand held out by Angela Merkel shows that there is a realisation of the extent of the implications for the viability of the European digital ecosystem. Let's hope that current interactions between France and Germany will build strong momentum to finally give us a European digital strategy.

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